

1 UNITED STATES DISTRICT COURT

2 DISTRICT OF MASSACHUSETTS

3 No. 1:15-cr-10386-WGY

4  
5 UNITED STATES OF AMERICA

6  
7 vs.

8  
9 JEHU HAND

10  
11 \*\*\*\*\*

12  
13 For Jury Trial Before:  
14 Judge William G. Young

15  
16 United States District Court  
17 District of Massachusetts (Boston.)  
18 One Courthouse Way  
19 Boston, Massachusetts 02210  
20 Wednesday, May 16, 2018

21 \*\*\*\*\*

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23 Official Court Reporter  
24 United States District Court  
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## 1 I N D E X

2

3 WITNESS DIRECT CROSS REDIRECT RECROSS

4

5 MARK JAMES DILLON: (Continued.)

6 By Mr. Palid: 4 27

7 By Mr. Iredale: 15

8

9 SPECIAL AGENT HEIDI ALONZO

10 By Mr. Herbert: 29

11 By Mr. Iredale: 35

12

13 KIMBERLY PETERSON

14 By Mr. Herbert: 39

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16

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## 18 E X H I B I T S

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20 EXHIBIT 148..... 87

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25

1 P R O C E E D I N G S

2 (Jury enters, 9:00 a.m.)

3 THE COURT: Good morning, ladies and  
4 gentlemen, thank you all so very much. We're all ready.  
5 Let's remind the witness.

6 THE CLERK: I'd like to remind you, sir, that  
7 you are still under oath.

8 Do you understand?

9 THE WITNESS: Yes.

10 THE COURT: And, Mr. Palid.

11 MR. PALID: Thank you, your Honor.

12

13 DIRECT EXAMINATION BY MR. PALID: (Continued.)

14 Q. Good morning, Mr. Dillon.

15 A. Good morning.

16 Q. When we left off yesterday we were looking at a  
17 document, Exhibit 131.

18 MR. PALID: Could you pull that back up.

19 (On screen.)

20 A. (Looks.) Yes.

21 Q. And it's dated April 3rd, 2012 from Jehu Hand to  
22 your daughter, Ashley Dillon, with a number of  
23 attachments. And when we left off, I was focusing you  
24 on a few of those attachments.

25 Towards the bottom it says "Able Direct, check,"

1 "Bioclean, check," and "Wilkinson, check." Do you see  
2 that?

3 A. Yes.

4 Q. Okay. And in his e-mail, um, Mr. Hand writes:

5 "Hello, Ashley, here are the documents in response."

6 Do you have an understanding of what that meant?

7 A. Um, a response to the FINRA deficiency.

8 Q. What's a "FINRA deficiency"?

9 A. So when we sponsor a 15C-211, we send it off to the  
10 OTC Compliance Unit, and we have an examiner at FINRA  
11 that looks at our documents and responds back to us with  
12 a -- um, if we were missing documents, um, to where we'd  
13 go back and ask the issuer to respond back to us, so we  
14 can respond back to FINRA.

15 Q. Okay. And then the e-mail goes on: "Mr. Duque will  
16 send you his signed letter, the only problem is that  
17 there are three checks, which we do not have a copy,  
18 they are Annahuac Management, Esthetics World, and  
19 Coolserve, and two of them have ordered copies, but this  
20 will take some weeks. The remaining one, the account  
21 has been closed, and they cannot get a copy."

22 Do you see that?

23 A. I do.

24 MR. PALID: Can we go to Page 8.

25 (On screen.)

1 THE COURT: While we're talking about these  
2 checks, what did you have to do with these checks?

3 THE WITNESS: So they would come into our  
4 possession and we would send --

5 THE COURT: Always tell the jury.

6 THE WITNESS: Oh, sorry.

7 When we would get these checks in -- and in this  
8 case it came from Jehu Hand, and then we would  
9 basically -- if they had a deficiency, from say 1  
10 through 10, um, that that was part of the deficiency, we  
11 would put that together and then send it off to FINRA.

12 THE COURT: So when you say you would get  
13 these checks, you would get a copy of it or would you  
14 get the original, what would you get?

15 THE WITNESS: Oh, it would be a copy.

16 THE COURT: You'd get a copy of it?

17 THE WITNESS: Yes.

18 THE COURT: All right.

19 Q. All right. So on Page 8, this is one of the  
20 attachments to Jehu Hand's e-mail to you, is that right?

21 A. Yes.

22 Q. And this check appears to be from a "William H.  
23 Wilkinson." Do you see that?

24 A. Yes.

25 Q. Is this how the check appeared when it was e-mailed

1 to Pennaluna?

2 A. Yes.

3 Q. Did you alter this check in any way?

4 A. No.

5 MR. PALID: Can we turn to --

6 Q. Did you remove an address beneath William H.  
7 Wilkinson's name on this check?

8 A. No.

9 Q. Okay.

10 MR. PALID: Let's turn to Page 9. Flip it  
11 around.

12 (On screen.)

13 Q. This is another check that was attached to Jehu  
14 Hand's e-mail to you and Pennaluna?

15 A. Yes.

16 Q. And is this how the check appeared when it was  
17 attached to the e-mail?

18 A. Yes.

19 Q. And did you alter this check in any way?

20 A. No.

21 Q. Did you change the, um, name above the signature  
22 line?

23 A. No.

24 Q. Okay.

25 MR. PALID: Can we go to Page 26.

1 (On screen.)

2 Q. Is this another check that was attached to Jehu  
3 Hand's e-mail to Pennaluna?

4 A. Yes.

5 Q. And again did you alter this check in any way?

6 A. No.

7 Q. Did you change the name above the signature line?

8 A. No.

9 Q. Okay.

10 MR. PALID: Can we pull up Exhibit 128.

11 (On screen.)

12 Q. Do you recognize this document, Mr. Dillon?

13 A. Yes.

14 Q. What is it?

15 A. It's a response to the FINRA examiner, um,  
16 responding back to a deficiency.

17 Q. Okay, and you write, "This response to your letter  
18 of March 29th, 2012 concerning the above submission."

19 What March 29th, 2012 letter were you referring  
20 to?

21 A. It would have been a letter from FINRA.

22 Q. Okay.

23 MR. PALID: Can we turn to Page 2.

24 (On screen.)

25 Q. Is this the letter that you were responding to?



1 A. Yes, correct.

2 Q. Okay. And when you got deficiency letters from  
3 FINRA regarding Crown, who did you reach out to?

4 A. Jehu Hand.

5 Q. Do you recall ever reaching out to Carlos Duque?

6 A. Not that I know of.

7 Q. Okay. And why would you reach out to Jehu Hand?

8 A. He's a securities attorney for the company.

9 Q. And did you have a preexisting relationship with  
10 Mr. Hand?

11 A. I've known Jehu for quite a while.

12 Q. Okay.

13 MR. PALID: Let's turn to Page 3, and let's  
14 blow up Item Number 7.

15 (On screen.)

16 Q. Now, in Item Number 7 it says: "The copies of the  
17 executed subscription agreements and the checks provided  
18 with your Form 211 application appear to be incomplete.  
19 Provide the executed checks for the following  
20 shareholders, William Wilkinson, Bioclean Products, Able  
21 Direct Marketing, Coolserve Corporation, Annahuac  
22 Management, and Esthetics World."

23 Do you see that?

24 A. Yes.

25 Q. What did you understand FINRA to be asking for?

1 A. They wanted to see those checks.

2 Q. Okay. And did you in fact send some of those checks  
3 to FINRA under cover of this letter?

4 A. Yes.

5 Q. And where did you get the checks that you sent to  
6 FINRA?

7 A. Jehu Hand.

8 Q. Okay.

9 MR. PALID: Let's turn to Page 21.

10 (On screen.)

11 Q. Is this one of the checks that you sent to FINRA  
12 under cover of your letter?

13 A. Yes.

14 Q. And is this a check that you got from Jehu Hand?

15 A. Yes.

16 Q. Did you alter this check in any way?

17 A. No.

18 Q. Okay.

19 MR. PALID: Page 22. Flip it around.

20 (On screen.)

21 Q. This is another check that you sent to FINRA?

22 A. Yes.

23 Q. And where did you get this check?

24 A. Jehu Hand.

25 Q. Okay. Did you alter this check in any way?

1 A. No.

2 MR. PALID: Page 23.

3 (On screen.)

4 Q. Is this another check that you sent to FINRA?

5 A. Yes.

6 Q. Where did you get this check?

7 A. Jehu Hand.

8 Q. Did you alter this check in any way?

9 A. No.

10 Q. And these three checks that we just looked at, are  
11 these the same as the checks that we just saw in the  
12 e-mail from Jehu Hand to Pennaluna?

13 A. Yes.

14 Q. Okay.

15 MR. PALID: Let's go to Exhibit 132.

16 (On screen.)

17 Q. What is this?

18 A. It's a cover sheet going to the OTC Compliance Unit  
19 at FINRA.

20 MR. PALID: Now turn to Page 2.

21 (On screen.)

22 Q. On Page 2 you write, "Dear, Mr. Mayes, this responds  
23 to your letter of April 18th, 2012 concerning the above  
24 submission."

25 What were you referring to there, the letter of

1 April 18th, 2012?

2 A. (Silence.)

3 MR. PALID: Could we blow up the section for  
4 Mr. Dillon.

5 (Enlarged.)

6 A. So they're basically asking us about another  
7 deficiency and we're responding back.

8 Q. Okay, so there was another FINRA deficiency letter  
9 and you are guys are responding to it?

10 A. Yes.

11 Q. All right.

12 MR. PALID: Turn to Page 3.

13 (On screen.)

14 Q. Is this that April 18th, 2012 FINRA deficiency  
15 letter that you're now responding to?

16 A. Yes.

17 Q. Okay. All right.

18 MR. PALID: Can we blow up Item Number 1.

19 (On screen.)

20 Q. "Item Number 1: The staff reviewed your response to  
21 Comment 7 of our March 29th, 2012 letter. Please  
22 provide the executed checks for the follow remaining  
23 shareholders, Coolserve Corporation, Annahuac  
24 Management, and Esthetics World."

25 Do you see that?

1 A. Yes.

2 Q. And again when you got deficiency letters from  
3 FINRA, who did you reach out to?

4 A. Jehu Hand.

5 MR. PALID: Now let's turn to Page, um, 5.

6 (On screen.)

7 Q. Do you see this letter from Carlos Duque?

8 A. I do.

9 Q. Okay. And in the letter from Carlos Duque, he  
10 writes: "Dear, Mr. Dillon, I respond on behalf of and  
11 as counsel for Crown Marketing with respect to FINRA's  
12 letter, dated March 18th, 2012, the three missing checks  
13 are provided."

14 Do you see that?

15 A. I do.

16 Q. Okay.

17 MR. PALID: Let's go to Page 6.

18 (On screen.)

19 Q. Is this one of those missing checks that was sent to  
20 FINRA?

21 A. That is correct.

22 Q. Did you alter this check in any way?

23 A. No.

24 Q. Do you know where you got this check from?

25 A. Either from Carlos or Jehu Hand.

1 Q. Do you recall which?

2 A. No.

3 Q. Okay.

4 MR. PALID: Page 7.

5 (On screen.)

6 Q. Is this another one of those checks that was sent to  
7 FINRA?

8 A. Yes.

9 Q. Did you alter this check in any way?

10 A. No.

11 Q. Do you know who you got this check from?

12 A. Either Carlos or Jehu again.

13 Q. Okay.

14 MR. PALID: Page 8.

15 (On screen.)

16 Q. Is this another check that was sent to FINRA?

17 A. Yes.

18 Q. Did you alter this check in any way?

19 A. No.

20 Q. Do you know where you got this check from?

21 A. Either Jehu Hand or Carlos.

22 Q. Okay. And would you have sent any checks to FINRA  
23 if you had known that they had been altered?

24 A. No.

25 Q. What would you have done?

1 A. Um, cancelled the deficiency -- I mean, sorry,  
2 cancelled the 211.

3 Q. Cancelled the 211?

4 A. Yeah.

5 Q. Okay. And what would the result of canceling the  
6 211 be?

7 A. You wouldn't have gotten a trading symbol.

8 Q. So that Crown Marketing wouldn't have been able to  
9 trade?

10 A. No.

11 Q. All right.

12 MR. PALID: Just a moment.

13 (Pause.)

14 MR. PALID: No further questions, your Honor.

15 THE COURT: Any questions from this witness?

16 MR. IREDALE: Yes, your Honor.

17 THE COURT: You may.

18

19 CROSS-EXAMINATION BY MR. IREDALE:

20 Q. Good morning, Mr. Dillon.

21 A. Good morning.

22 Q. You have known Jehu from about 1990?

23 A. That is correct.

24 Q. You've had dealings with him over the years?

25 A. Yes, sir.

1 Q. I think you met him once in person?

2 A. That's correct.

3 Q. And you've never had any problems or issues with  
4 him, correct?

5 A. Correct.

6 Q. All right. The dealings that you've had with him  
7 have been above-board and straightforward?

8 A. They've been fine.

9 Q. And now you were asked some questions about certain  
10 documents.

11 MR. IREDALE: Let me, if I could, ask you to  
12 go -- or if we could go back to Exhibit 131. (On  
13 screen.) And could we look at the top. (On screen.)

14 Q. Your daughter, Ashley, I believe was working at  
15 Pennaluna at the time?

16 A. That's correct.

17 Q. And did she also do some work in connection with the  
18 211?

19 A. She helped process the paperwork on 211s to me.

20 Q. Now did you yourself review these materials after  
21 they came in?

22 A. I did. She sat next to me, so I did see them.

23 Q. Now as to the address, it says "From Jehu Hand at  
24 Jehuhand@yahoo.com." Do you see that?

25 A. Yes.



1 Q. Now in this regard you had no specific oral  
2 communications with Mr. Hand, correct, in other words  
3 you received an e-mail?

4 A. Yeah, I can't recall, um, if I talked to anyone.

5 Q. Well do you know if this was set by him or by his  
6 secretary on his behalf?

7 A. I don't know.

8 Q. You don't know?

9 A. No.

10 Q. Okay.

11 MR. IREDALE: Let me -- if we could go to  
12 Bates 807 in the same exhibit, 131.

13 (On screen.)

14 Q. This is one of the checks, I believe, that was  
15 attached to Exhibit 131?

16 A. Okay.

17 Q. Do you recall that?

18 A. I'd have to look back at 131.

19 Q. All right.

20 MR. IREDALE: May I approach the witness,  
21 please, your Honor?

22 THE COURT: You may.

23 Q. Let me show you a paper copy, it will be quicker.

24 A. (Looks.) Okay.

25 Q. All right. And that is --

1 MR. IREDALE: And could we display that? (On  
2 screen.) Yes.

3 Q. That's a check for Randall Peterson and Kimberly  
4 Peterson and you see it has an address on it, "24 Calle  
5 de la Luna, San Clemente, California"?

6 A. Yes.

7 Q. In the amount of \$100?

8 A. Yes.

9 Q. Do you remember this check also as coming with that  
10 e-mail?

11 A. It was an e-mail, that it came with the e-mail.

12 Q. All right. In other words you receive hundreds of  
13 e-mails in any given month, would that be fair to say?

14 A. Um, quite a few e-mails, yes.

15 Q. You have no specific recollection of this, you're  
16 going off the records that you were shown?

17 A. That's correct.

18 MR. IREDALE: Let's go, if we could, to Bates  
19 809, please.

20 (On screen.)

21 Q. Do you see the address on that check, it appears to  
22 be "24 Calle de la Luna," it says "SC California" with a  
23 zip?

24 A. Yes.

25 Q. "Calle de la Luna" is the same as the address we saw

1 in the last check?

2 A. Yes.

3 MR. IREDALE: Could we go to Exhibit 810 --  
4 I'm sorry, Bates 810, the same exhibit.

5 (On screen.)

6 MR. IREDALE: Could we blow up the first  
7 one-third of the document showing the names of the  
8 sender and of the receiver of the correspondence.

9 (Enlarged.)

10 Q. This is a letter from Carlos Duque to you at  
11 Pennaluna, is that fair to say?

12 A. Yes.

13 Q. Mr. Duque was the person who provided the  
14 information attached to the letter? If you know.

15 A. I would be going off of paperwork that I'm seeing  
16 here.

17 Q. All right. In other words these events happened in  
18 2012, you're asked to come into court six years later  
19 and testify about a paper at a particular time and you  
20 received -- is it fair to say that in your career you  
21 have literally touched a ton of paper?

22 A. I have.

23 Q. And you're shown documents and you're doing the best  
24 that you can to explain what you remember?

25 A. Correct.

1 Q. Is that fair to say?

2 A. Correct.

3 Q. All right.

4 MR. IREDALE: Now I'd like to go to Exhibit  
5 152.

6 (On screen.)

7 Q. Now the way the 211 process goes, as I understand  
8 it, is that you, as the broker/dealer, make the  
9 application to FINRA on behalf of the issuer?

10 A. Yes.

11 Q. And in that regard FINRA is supposed to do due  
12 diligence in looking at the information, making sure  
13 that everything is in line, and asking for additional  
14 information, is that fair?

15 A. Correct, yes.

16 Q. And in this case there were several back and forths  
17 between you and between FINRA in which they said "Well,  
18 we want to find this" or "We wouldn't know this" or  
19 "Tell us some more information," is that fair to say?

20 A. That's correct.

21 Q. And that's typical for the process?

22 A. Correct.

23 Q. Nothing unusual about that, this was a typical 211?

24 A. Correct.

25 MR. IREDALE: In Exhibit 152, I'd like to go

1 to Bates Page 855, please.

2 (On screen.)

3 Q. This is a letter to you from Carlos Duque, is that  
4 correct?

5 A. Correct.

6 Q. And Carlos Duque, you understood, was the attorney  
7 for the corporation, Crown?

8 A. This shows that on the document.

9 Q. Do you recall receiving this correspondence from  
10 Mr. Duque?

11 A. I don't recall, but it has my name on it, so  
12 obviously I did.

13 Q. Okay.

14 MR. IREDALE: Could we go now to Bates 861.

15 (On screen.)

16 Q. This is a letter to Eric Mayes from you providing  
17 the additional information that you had received from  
18 Mr. Duque, correct?

19 A. Correct.

20 MR. IREDALE: Now I'd like to go to 862, the  
21 same exhibit.

22 (On screen.)

23 Q. This is a letter from Carlos Duque to you, do you  
24 see?

25 A. Yes.

1 Q. It says "Via mail only," so it would have been  
2 received by mail, if you recall?

3 A. I don't have a recollection. None. It's 2012.

4 Q. The document itself says, in Section (b), Paragraph  
5 4, "Kimberly Peterson is the corporate secretary, she  
6 owns 1,000 shares and is the wife of Randall Peterson  
7 and the mother of Taylor Peterson. Scott Roberts is her  
8 brother and Christie Roberts is her sister. Mary  
9 Solotsky is her mother and Richard Solotsky is her  
10 father. Vicky Foster is a friend of hers. Each of  
11 these persons owns 1,000 shares."

12 Did I read that right?

13 A. That's correct, yes.

14 Q. And then Paragraph 8 notes that Jehu Hand was, from  
15 2008 to 2011, the corporate secretary, he owns 24 shares  
16 via his ownership of Ideogram Corporation, and 20,150  
17 shares directly. "

18 Did I read that properly?

19 A. Yes.

20 MR. IREDALE: Could we go to Page 2, Paragraph  
21 7. Could we enlarge that.

22 (Enlarged.)

23 Q. Mr. Duque writes in his letter: "I enclose the  
24 requested documents for Bioclean, Able, and Wilkinson.  
25 Of the three remaining checks, the shareholders have

1 ordered copies from the bank. On the third missing  
2 check, the account is closed and we do not think we can  
3 get a copy." And then you see at the bottom it's signed  
4 "Very truly yours, Carlos Duque, Esq."?

5 A. Yes.

6 Q. Okay.

7 MR. IREDALE: Now I'm wondering if we could go  
8 to Bates, Page 894, the same exhibit.

9 (On screen.)

10 Q. This is a letter addressed to you and it's from  
11 Carlos Duque. Do you see that?

12 A. Yes.

13 Q. "Dear, Mr. Dillon, I respond on behalf of and as  
14 counsel for Crown Marketing with respect to FINRA's  
15 letter dated March April 18th, 2012." Let me stop right  
16 there.

17 As far as you know there's no existing month  
18 called "March April," it's either March or April?

19 A. Yes.

20 Q. And he says thereafter "(1) the three missing checks  
21 are provided."

22 A. (Silence.)

23 MR. IREDALE: Could we go to the next page,  
24 895.

25 (On screen.)

1 Q. One of those checks attached to Mr. Duque's letter  
2 is this document?

3 A. Yes.

4 MR. IREDALE: Could we go to 896, please.

5 (On screen.)

6 Q. The second check attached is this document showing a  
7 check from "Hand & Hand, a professional corporation"?

8 A. Yes.

9 Q. And the memo section says "Coolserve"?

10 A. Yes.

11 MR. IREDALE: And then finally, the third  
12 check attached to Mr. Duque's letter to you is on Page  
13 897.

14 (On screen.)

15 Q. And it is for Esthetics World. Do you see that?

16 A. Yes.

17 Q. And then you, for your part, having received these  
18 documents from Mr. Duque, forwarded them to FINRA in  
19 answer to a request for additional information they had  
20 made to you?

21 A. Yes.

22 MR. IREDALE: Could we go to Page 916 of  
23 Exhibit 152, please.

24 (On screen.)

25 Q. This is another letter from Mr. Duque to you?



1 A. Yes.

2 Q. This one says "via e-mail" at the top?

3 A. Yes.

4 Q. And then Mr. Duque writes: "As requested by the  
5 staff of the OTC Compliance Unit, the March 31, 2012 10Q  
6 has been amended to check the 'Yes' box on the facing  
7 page with respect to shell status."

8 Did I read it properly?

9 A. Yes.

10 Q. And let me talk to you about "shells" for one  
11 moment.

12 "Shell" is a term of art in your business?

13 A. Um, repeat that please?

14 Q. Yes, "Shell."

15 A. That's correct.

16 Q. You've heard that word before?

17 A. Yes, that's correct.

18 Q. And it's a term that has both a general meaning to  
19 the general public and a specific meaning in the world  
20 of stocks and bonds?

21 A. That's correct.

22 Q. So that if we were to say "shell," generally if I  
23 said to you "Hey, that company's just a 'shell'," it  
24 would mean it's not a good company, it doesn't have a  
25 lot of assets, et cetera?

1 A. Correct.

2 Q. In common parlance, if we're just speaking people  
3 one to one, but in your world "shell" means a specific  
4 thing, it means a company that does not have ongoing  
5 operations, more than nominal assets, or more than  
6 nominal income, is that fair to say?

7 A. That's correct.

8 Q. So it has a very specific legal meaning?

9 A. Yes.

10 Q. So that if I'm speaking generally and I say "shell,"  
11 it may mean one thing, but in this particular world of  
12 finance it has a specific legal meaning?

13 A. Yes.

14 Q. So, for instance, there are things that are called  
15 "shells" and there are things that are called "nonshell  
16 shell," have you heard that phrase?

17 A. That's one way to term it.

18 Q. In other words it's a company that's just starting  
19 or it's a company without a lot of assets, but it has  
20 enough assets so that it's more than nominal and  
21 therefore not legally technically a "shell"?

22 A. That's correct.

23 Q. And, Mr. Dillon, you have given us your best  
24 testimony, as best you can remember, about something  
25 that happened six years ago?

1 A. Yes.

2 Q. Thank you so much.

3 MR. IREDALE: That's all I have.

4 THE COURT: Nothing further for this witness?

5 MR. PALID: Very briefly, your Honor.

6 THE COURT: Okay, go ahead.

7

8 REDIRECT EXAMINATION BY MR. PALID:

9 MR. PALID: Mr. Dillon, returning to Exhibit  
10 131.

11 (On screen.)

12 Q. The e-mail from Jehu Hand, um, attaching those three  
13 checks, Able Direct, Bioclean, and Wilkinson. What's  
14 the date on that e-mail?

15 A. April 3rd, 2012.

16 Q. Okay.

17 MR. PALID: Now can we go to Exhibit 152.

18 (On screen.)

19 MR. PALID: And can we go to Page 862, um,  
20 Bates 862, which is probably about 19 pages in.

21 (On screen.)

22 Q. And what's the date on this letter from Carlos  
23 Duque?

24 A. April 5th, 2012.

25 Q. So two days later?

1 A. Two days later.

2 Q. And it says it was provided "via e-mail only,"  
3 right, not mail, but e-mail?

4 A. It does say "e-mail only."

5 Q. Okay. And, Mr. Dillon, just to be clear, do you  
6 ever recall actually receiving any checks from Carlos  
7 Duque?

8 A. I don't recall.

9 Q. Okay. And, Mr. Dillon, was it your job to determine  
10 whether or not a company was a "shell" or not?

11 A. No.

12 Q. Okay.

13 MR. PALID: Nothing further.

14 THE COURT: Nothing further for this witness?

15 MR. IREDALE: No, your Honor.

16 THE COURT: You may step down. Thank you.

17 (Witness steps down.)

18 THE COURT: Call your next witness.

19 MR. HERBERT: Heidi Alonzo, your Honor.

20 (SPECIAL AGENT HEIDI ALONZO, sworn.)

21

22 \*\*\*\*\*

23 SPECIAL AGENT HEIDI ALONZO

24 \*\*\*\*\*

25

1 DIRECT EXAMINATION BY MR. HERBERT:

2 Q. Good morning. Would you state your full name and  
3 spell your last name for the record, please.

4 A. Heidi Alonzo, A-L-O-N-Z-O.

5 Q. Where do you work, Ms. Alonzo?

6 A. For the FBI.

7 Q. And what's your title there?

8 A. I'm a Special Agent.

9 Q. Okay, and how long have you been a Special Agent  
10 with the FBI?

11 A. It's been 21 years.

12 Q. Okay. Which field office are you assigned to?

13 A. The Los Angeles division.

14 Q. Okay. And is that where you were assigned in 2015?

15 A. Yes.

16 Q. And which squad are you assigned to?

17 A. I'm on the white-color squad and I'm actually in a  
18 resident agency in Orange County, California.

19 Q. And by "white-color squad," are you referring to  
20 white-collar crime?

21 A. Yes.

22 Q. What if any jurisdiction does the FBI have over the  
23 investigation of criminal securities fraud offenses?

24 A. Um, we have primary jurisdiction over those  
25 offenses.

1 Q. And what does "primary jurisdiction" mean?

2 A. Um, we're the lead agency that investigates those  
3 crimes.

4 Q. Okay. And what if any jurisdiction does the FBI  
5 have over the investigation of wire fraud offenses?

6 A. It's the same, primary.

7 Q. And what if any jurisdiction does the FBI have over  
8 the investigation of conspiracy to commit wire fraud and  
9 securities fraud?

10 A. The same.

11 Q. All right.

12 Now, have you heard of an individual named  
13 "Kimberly Peterson"?

14 A. Yes.

15 Q. And how did you first hear that name?

16 A. Um, so when I was working on my white color squad, I  
17 had another agent in my squad who asked me to help him  
18 on a lead he had gotten from Boston and that means  
19 basically he was requested by an agent here in Boston to  
20 go out to Kimberly Peterson and serve her with a  
21 subpoena and interview her.

22 Q. I'm sorry, I didn't hear the last part, serve her  
23 with a subpoena and what?

24 A. And interview her.

25 Q. Okay. And what type of subpoena was that?

1 A. It was a federal grand jury subpoena to testify and  
2 produce documents.

3 Q. Okay. And which agent asked you to accompany him to  
4 serve the subpoena?

5 A. His name is Johanness Vandenhogan.

6 Q. And when were you asked to help serve that subpoena?

7 A. So this was in December of 2015 and, um, he asked me  
8 probably like a day or two before we actually went out  
9 and did it.

10 Q. Okay, and what steps did you take to serve that  
11 subpoena?

12 A. So he gave me the address where she resided and, um,  
13 I went out there and, um, I actually got to the address  
14 before he did, and I noticed that Ms. Peterson was  
15 leaving her house, she was getting in her car to leave,  
16 so I approached her and identified myself and asked her  
17 if she would wait a few minutes so we could wait for the  
18 other agent to arrive.

19 Q. Okay. How did you identify yourself?

20 A. I told her my name, I said I was a Special Agent  
21 with the FBI, and I showed her my credentials.

22 Q. Okay. And what was the address you went to?

23 A. It was, um, 24, I believe, Calle de la Luna in San  
24 Clemente, California.

25 Q. All right. And what was the date on which you went

1 to Ms. Peterson's house to serve the subpoena?

2 A. It was December 11th, 2015.

3 Q. Okay.

4 MR. HERBERT: Could we have Exhibit 142,  
5 please.

6 (On screen.)

7 Q. Do you recognize what's on the screen before you as  
8 Exhibit 142?

9 A. Yes.

10 Q. What do you recognize that to be?

11 A. So that's the federal grand jury subpoena that  
12 Ms. Peterson was served with.

13 Q. All right. Okay. And what is the date on which  
14 Ms. Peterson was commanded to appear before the grand  
15 jury?

16 A. That was December 2nd, 2015.

17 Q. And do you know whether there had been any previous  
18 efforts to locate Ms. Peterson?

19 A. Um, I believe the other agents had told me he had  
20 done something to locate her, I don't really recall what  
21 the circumstances were.

22 Q. Okay. So did Special Agent Vandenhogan arrive after  
23 you?

24 A. Yes.

25 Q. After you get there?



1 A. Yes.

2 Q. And how did he identify himself to Ms. Peterson?

3 A. So he introduced himself with his name, Special  
4 Agent of the FBI, and showed his credentials.

5 Q. All right. Did you tell Ms. Peterson why you were  
6 there?

7 A. So I didn't have a lot of details because the other  
8 agent had just asked me to accompany him, I didn't  
9 really know what we were going to be doing, so I just  
10 told her initially that we needed to interview her, um,  
11 and asked her to wait for the other agent, and then when  
12 he arrived, he knew a little more about it and he said  
13 it was regarding Jehu Hand.

14 Q. Okay. And did you in fact conduct an interview of  
15 Ms. Peterson on that day?

16 A. Yes.

17 Q. Okay. And just in general do you recall the topics,  
18 um, what or whom you asked her about?

19 A. So I only asked her about, um, how she knew of him,  
20 what her relationship was with him, and then we got into  
21 her telling us about, um, some bank accounts that she  
22 had opened for him and some companies that she was  
23 involved with.

24 Q. Okay, and did she answer your questions for a time?

25 A. Yes.

1 Q. And do you recall how that interview ended?

2 MR. IREDALE: Objection, relevance, hearsay,  
3 403.

4 THE COURT: Sustained.

5 MR. HERBERT: Okay.

6 Q. And what did you and, um, Special Agent Vandenhogan  
7 do after the interview stopped?

8 A. So once we ceased the interview, we presented her  
9 with the federal grand jury subpoena and told her that  
10 she needed to, um, contact the Special Agent that was  
11 listed on the subpoena to get another date, um, find out  
12 what dates she would be asked to appear.

13 Q. Okay, and why did you add that?

14 A. Because the date listed on the subpoena was December  
15 2nd and that day had already passed because we were  
16 talking to her on December 11th.

17 Q. Okay, and did she indicate that she understood that?

18 A. Yes.

19 MR. HERBERT: Could I just have a moment, your  
20 Honor?

21 (Pause.)

22 MR. HERBERT: No further questions.

23 THE COURT: Anything?

24 MR. IREDALE: Just very briefly, your Honor.

25 Could we go to the exhibit about which the witness

1 testified, I believe it's 142. Could we enlarge the top  
2 part.

3 (Enlarged.)

4

5 CROSS-EXAMINATION BY MR. IREDALE:

6 Q. Special Agent Alonzo, as I understand it, you were  
7 the person who served this subpoena?

8 A. The other agent and I did it together, yeah.

9 Q. Who gave it to Ms. Peterson, was it you, from your  
10 hand, or was it from Johanness Vandenhogan?

11 A. Um, probably from his hand because he was the lead  
12 agent on the, um -- on the lead. But we were both there  
13 together.

14 Q. Now this subpoena is a subpoena to testify before  
15 the grand jury, is that correct?

16 A. Yes.

17 Q. It says: "You are commanded to appear in this  
18 United States District Court at the time, date, and  
19 place shown below to testify before the Court's grand  
20 jury. When you arrive you must remain in the court  
21 until the judge or a court officer allows you to leave."

22 The place is given as the grand jury room on the  
23 10th floor of this courthouse, is that true?

24 A. Yes.

25 Q. And the date and time says "12-2-2015" at

1 "10:00 a.m.", right?

2 A. Yes.

3 Q. You served this subpoena, this order for  
4 Ms. Peterson to appear at the grand jury room in this  
5 courthouse, 9 days after the date on which she was  
6 ordered to appear, correct?

7 A. That's correct.

8 Q. And she said, in essence, to you, "How can I appear  
9 on the 2nd of December when it's now the 11th of  
10 December?" right, do you remember her saying that or  
11 words to that effect?

12 A. No, I don't think it was quite that dramatic, it was  
13 more of, "Well what date shall I appear then?"

14 Q. Did she say, "Is this subpoena still good?" and was  
15 she told by Vandenhogan, "Yes, you're required to obey  
16 this subpoena and contact the agent"?

17 A. "You're required to contact the agent and the  
18 subpoena is still in effect."

19 Q. Well now the subpoena was served and the subpoena's  
20 date had already passed, correct?

21 A. Correct.

22 Q. A subpoena, you understand, is an order from the  
23 court?

24 A. Is that a question?

25 Q. Yes.

1 A. Yes.

2 Q. All right.

3 MR. IREDALE: Could we look at the rest of the  
4 subpoena.

5 (On screen.)

6 Q. This says: "This request is for testimony and  
7 documents, see Attachment A."

8 Did you give an Attachment A, or Vandenhogan, in  
9 your presence?

10 A. I'm sure there was an attachment attached to it.

11 MR. IREDALE: Could we see if there's a second  
12 page to this document.

13 (On screen.)

14 Q. And this is called the "Proof of Service," it's  
15 supposed to be filled out by the person who serves the  
16 document, is that true?

17 A. Yes.

18 Q. Did you fill out the proof of service?

19 A. No.

20 Q. Did Ms. -- did Special Agent Vandenhogan fill out  
21 the proof of service?

22 A. Yes.

23 Q. Somewhere there's a filled-out proof of service?

24 A. Correct.

25 Q. Now, can you tell me where on the document it says

1     that the witness served is required by the subpoena to  
2     contact the FBI agent?

3     A.   Well she was advised that verbally, it's not  
4     something that's printed on the subpoena.

5     Q.   Well it's not a legal requirement that is imposed by  
6     the subpoena at all, is it?

7             THE COURT:   Come to the sidebar.

8

9             AT THE SIDEBAR

10            THE COURT:   What's the point of this?

11            MR. IREDALE:   Just that they were overreaching  
12     by telling the witness that she had to contact the FBI.

13            THE COURT:   It has nothing to do with this  
14     case.   Move on.

15            MR. IREDALE:   Yes, your Honor.

16

17            (In open court.)

18            MR. IREDALE:   Can we go to the first page.

19            (Enlarged.)

20     Q.   Is there a name of the FBI agent on the subpoena  
21     itself?

22            MR. HERBERT:   Objection.

23            THE COURT:   Sustained, the document speaks for  
24     itself.   We're assuming the jury can read.   Let's move  
25     on.

1 MR. IREDALE: Given that, your Honor, I have  
2 no further questions.

3 THE COURT: Fine. The document's in evidence.  
4 Nothing further for this witness?

5 MR. HERBERT: No, your Honor.

6 THE COURT: You may step down. Thank you.

7 THE WITNESS: Thank you.

8 (Witness steps down.)

9 THE COURT: Call your next witness.

10 MR. HERBERT: Kim Peterson, your Honor.

11 THE COURT: She may be called.

12 (KIMBERLY PETERSON, sworn.)

13

14 \*\*\*\*\*

15 KIMBERLY PETERSON

16 \*\*\*\*\*

17

18 DIRECT EXAMINATION BY MR. HERBERT:

19 Q. Good morning. Could you state your full name and  
20 spell your last name for the record, please.

21 A. Mary Kimberly Peterson, P-E-T-E-R-S-O-N.

22 Q. Okay. What city and state do you live in,  
23 Ms. Peterson?

24 A. San Clemente, California.

25 Q. Okay.

1 MR. HERBERT: And can I just ask you to try to  
2 keep your voice up or pull the microphone in as much as  
3 you can just so that everyone can hear you.

4 THE COURT: And you be comfortable in that  
5 seat there, but that mic moves, and so feel free to  
6 adjust it. And it works best if it's in front of your  
7 mouth.

8 THE WITNESS: Yes. Okay.

9 THE COURT: Now go right ahead.

10 MR. HERBERT: Thank you, your Honor.

11 Q. Ms. Peterson, do you know an individual named Jehu  
12 Hand?

13 A. Yes.

14 Q. How do you know him?

15 A. Um, I worked for him for many years.

16 Q. Okay. How long did you work for him?

17 A. Approximately 25 years.

18 Q. Okay. Could you look around the courtroom and tell  
19 us if you see him?

20 A. Yes, right there. (Indicates.)

21 Q. And could you point him out and describe an article  
22 of clothing he's wearing?

23 A. He's wearing a gray blazer.

24 Q. Okay.

25 MR. HERBERT: May the record reflect that



1 she's identified the defendant, your Honor?

2 THE COURT: It may.

3 MR. HERBERT: All right.

4 Q. Ms. Peterson, are you testifying today under an  
5 agreement with the U.S. Attorney's Office?

6 A. Yes.

7 MR. HERBERT: Could we have Exhibit 111,  
8 please.

9 (On screen.)

10 Q. Do you recognize this document?

11 A. Yes.

12 MR. HERBERT: Okay, could we go to the second  
13 page of it, please.

14 (On screen.)

15 Q. And is that your signature at the end?

16 A. Yes.

17 Q. Okay.

18 MR. HERBERT: And if we could just go back to  
19 Page 1 for a second, um, Paragraph 1.

20 (On screen.)

21 Q. What do you understand this agreement to require of  
22 you?

23 A. Um, to answer truthfully any questions that are  
24 asked, um, and it can't be held against me.

25 Q. All right, so that's the second question I was going

1 to ask. So what's your understanding as to what you get  
2 out of this?

3 A. Um, it won't be held against me.

4 Q. Okay. All right. So your testimony will not be  
5 used against you, is that your understanding of it?

6 A. Yes, correct.

7 Q. All right. Could you tell us about your educational  
8 background, please.

9 A. Um, I completed high school with a GED, and I took a  
10 couple classes at Orange Coast College.

11 Q. Okay. Is that a community college?

12 A. Yes, it is.

13 Q. Okay. And how old were you when you started working  
14 full-time?

15 A. 17.

16 Q. And what did you start out doing?

17 A. Um, at a bank, a secondary market.

18 Q. All right. And when did you start working for the  
19 defendant?

20 A. Um, July of 1989.

21 Q. Okay. And where was he working then?

22 A. A firm called Day & Associates.

23 Q. All right. And what was your position when you  
24 started working for him?

25 A. A secretary to Jehu.

1 Q. So could you just trace your employment with the  
2 defendant?

3 A. Um, so he was an associate with Day & Associates, he  
4 became a partner, it changed to Day, Campbell & Hand. I  
5 believe we went in-house counsel with McKitrich Jackson  
6 and DeMarco Peckenpaw, then we went in-house counsel for  
7 a laser medical dental group, and in 1991 he went on his  
8 own at Hand & Hand.

9 Q. Okay. Hand & Hand was the firm that he opened?

10 A. Correct.

11 Q. Okay. And what were your responsibilities at Hand &  
12 Hand?

13 A. The secretary to Jehu and office administration.

14 Q. And what was your salary?

15 A. 3,000 as I recall.

16 Q. 3,000 a --

17 A. Monthly.

18 Q. Okay. Did you ever receive compensation in forms  
19 other than a regular check with a W-2?

20 A. No, we did, um -- I did get a bonus a couple of  
21 times at the end of the year, but it was like stock.  
22 But, no, it was always with W-2. Until I went as a, um,  
23 independent consultant.

24 Q. Okay. Did you ever receive compensation in cash?

25 A. I was sometimes paid in cash, but I'm not sure what

1     you're asking correctly -- or that I'm answering  
2     correctly.

3     Q.   I may not be.

4             Did you ever receive any part of your compensation  
5     in the form of cash?

6     A.   Yes.

7     Q.   And how would that work, who gave you the cash?

8     A.   Um, I was permitted to take it out of an account.

9     Q.   Well what account?

10    A.   Um, usually it was the operating account, the Hand &  
11    Hand operating account.

12    Q.   Okay.

13    A.   If the funds were in one of the other company  
14    accounts and I was -- well I was to take it from there.

15    Q.   Okay.  What other company accounts are you referring  
16    to?

17    A.   Um, we had several accounts for, um, clients, um, in  
18    particular like Esthetics World would receive money in  
19    there and then I could take it from there.

20    Q.   Okay.  And when you say "clients," are you referring  
21    to clients of the firm?

22    A.   Um, both.  Companies.  They were all clients.  So,  
23    yeah, any company -- any of the companies that we had  
24    incorporated were clients to me.

25    Q.   You considered them "clients"?

1 A. Yes. Yeah.

2 Q. So, um, in general you said that you had worked as  
3 everything from his secretary to office administration.  
4 Could you just describe a little bit more what type of  
5 work you would do?

6 A. Um, everything from ordering supplies to paying  
7 invoices, um, secretarial, um, Girl-Friday, just  
8 anything. Oftentimes it was just Jehu and I, so I was  
9 his -- everything that wasn't legal work, that's what I  
10 was doing.

11 Q. Okay. And in addition to Hand & Hand, did the  
12 defendant have any businesses outside the country?

13 A. He did at times, yes.

14 Q. Okay, which ones?

15 A. Um, he was the owner of a -- of a basketball team in  
16 Belarus.

17 Q. In Belarus? I'm sorry.

18 A. In Belarus, yeah. And he had a Russian dating site  
19 -- I think that was in Russia. That was all I know.

20 Q. Okay. In the 2011, 2012 time period, where were the  
21 offices of Hand & Hand?

22 A. I think it was the boat yard. We had an office from  
23 a boat yard we rented. And also our homes we were  
24 working -- I was working from home at that time.

25 Q. Okay. When you said "boat yard," where was the

1 "boat yard"?

2 A. Um, Victoria Boulevard, in Dana Point.

3 Q. In Dana Point?

4 A. Yeah, in California. Everything was California.

5 Q. Okay. And did you and the defendant always work in  
6 the same space?

7 A. Most of the time, but not always.

8 Q. So you indicated you worked from your home at times,  
9 is that correct?

10 A. Yeah, there were a couple of times that I was  
11 working at home.

12 Q. Okay. Did there come a time when that became  
13 permanent, that you worked from your home?

14 A. Yes, in July of 2012.

15 Q. All right. On what occasion did that change?

16 A. Jehu moved out of the country.

17 Q. And where did he move?

18 A. Antigua.

19 Q. Okay. What type of work was the defendant doing  
20 during that time period?

21 A. Um, the same work, law work, um, the same as we had  
22 always done.

23 Q. Okay, what type of law work though?

24 A. Corporate.

25 Q. Okay. What if any involvement did he have with

1     respect to incorporating companies and filing reports  
2     and that type of thing?

3     A.   Incorporating companies was usually me, um, he would  
4     give me a name and tell me a state, which was usually  
5     Wyoming. But as to filings for companies, he did all of  
6     that. It was on the EDGAR system.

7     Q.   Okay. And was this work for his own corporations or  
8     for those of clients?

9     A.   Um, mostly for himself.

10    Q.   Okay. How often did you have clients come into the  
11    office?

12    A.   Seldom.

13    Q.   And approximately how many corporations did the  
14    defendant himself control when you worked for him?

15           MR. IREDALE:  Objection, it calls for a legal  
16    opinion or conclusion. Speculation.

17           THE COURT:  I'm not sure I understood the  
18    question, so we'll ask Mr. Herbert to ask it again.

19           MR. HERBERT:  Yes, I'll ask it a different  
20    way.

21    Q.   To the best of your knowledge and experience in  
22    dealing with these corporations, about how many did the  
23    defendant himself exercise control over when you worked  
24    for him?

25           MR. IREDALE:  Same objection.

1 THE COURT: Yeah, sustained.

2 MR. HERBERT: Okay.

3 Q. About how many corporations did you deal with in  
4 your day-to-day work with the defendant over the time  
5 you worked with him?

6 A. On a regular basis? Maybe 20.

7 Q. Uh-huh. And how about how many total corporations  
8 do you recall, um, approximately dealing with?

9 A. That I incorporated or?

10 Q. Sure.

11 A. You mean -- well more than 60.

12 Q. So what was the process to start a new corporation?

13 A. It was quite simple actually, you just created  
14 articles of incorporation and I would e-mail it to an  
15 agent and he would file it.

16 Q. And what if anything did the defendant have to do  
17 with that process?

18 A. Just the instruction of -- with the name and file  
19 it.

20 Q. Okay. And what other documents would you help  
21 prepare in connection with these corporations?

22 A. Um, prepare as in draft or type?

23 Q. Either one.

24 A. My work was always typing, um, producing it. But I  
25 never drafted anything or created something.



1 Q. Okay, what did you do with respect to -- do you know  
2 what an S-1 registration statement is?

3 A. I'm familiar with the name, but I don't know the  
4 details of it.

5 Q. Okay. What if any involvement would you have with  
6 respect to preparing S-1 registrations?

7 A. Just typing.

8 Q. And how about with respect to annual or quarterly  
9 reports?

10 A. The same.

11 Q. And how would you know what to type?

12 A. Um, the usual procedure would be he would have a  
13 markup of a prior, you know, scribbled out, and what's  
14 the new stuff to be put in, and I would create it on the  
15 computer.

16 Q. Okay. Did you then file any of these documents with  
17 the SEC?

18 A. In the early days I did, but that was all done  
19 manually, um, paper versions.

20 Q. Okay.

21 A. And when it all went to online, it was an EDGAR  
22 system that involved HTML and ASC computer stuff that I  
23 don't understand.

24 Q. Okay. So who did those filings through the EDGAR  
25 system?

1 A. Jehu.

2 Q. All right. Now when you were incorporating a, um,  
3 company, how would you know whom to list as officers of  
4 the corporation?

5 A. It would be written on the markup.

6 Q. That you got from the defendant?

7 A. Yes, sir.

8 Q. Were you ever listed as "President"?

9 A. Yes.

10 Q. And when -- on occasions when you were listed as  
11 "President," was that your decision or was that the  
12 defendant's?

13 A. No, it was Jehu.

14 Q. Okay. And just in general terms, was there any  
15 pattern or practice with respect to, um, who else would  
16 be listed as officers of these corporations?

17 A. I'm sorry, ask again?

18 Q. Yeah, just as a matter of general office pattern and  
19 practice, was there any, um, practice with respect to  
20 who else would be listed as officers of these  
21 corporations?

22 A. Not that I know of.

23 Q. Okay. Did, um -- to the best of your knowledge, did  
24 the defendant ever have you put down individuals that  
25 you understood to be friends of his?

1 A. Yes.

2 Q. Okay. How about girlfriends of his?

3 A. Um, I think so.

4 Q. Ex-wives?

5 A. I'm not sure.

6 Q. Okay. Did you meet all of these people that were  
7 listed as officers of these companies?

8 A. No.

9 Q. As far as you were able to determine, in terms of  
10 your day-to-day dealings with respect to these  
11 companies, were these, um, friends, girlfriends, et  
12 cetera, exercising any control over these companies?

13 MR. IREDALE: Objection.

14 THE COURT: Um, sustained.

15 Q. Well with respect to these companies in general,  
16 whom did you get instructions from?

17 MR. IREDALE: Objection to the vague --

18 THE COURT: No, it's not vague.

19 From whom did you receive your instructions with  
20 respect to preparing papers, um, relative to the various  
21 corporations? From whom?

22 THE WITNESS: Jehu.

23 THE COURT: Anyone else?

24 THE WITNESS: No.

25 THE COURT: Go from there.

1 MR. HERBERT: Thank you, your Honor.

2 Q. And for companies where you were listed as  
3 "President," did you think you had the power to make  
4 decisions on behalf of that company?

5 A. No.

6 Q. Who did you understand to have that power?

7 A. Jehu.

8 Q. And to your knowledge do these corporations that the  
9 defendant was forming have any business operations?

10 MR. IREDALE: Objection. Broad. General.  
11 Vague.

12 THE COURT: Um, I think I'm going to sustain  
13 it. Maybe we could come to this case.

14 MR. HERBERT: Yes, your Honor.

15 Q. Have you ever heard of the term "shell corporation"?

16 A. Yes.

17 Q. Where did you first hear that term?

18 A. From Jehu.

19 Q. Okay. Did you ever hear that term used with respect  
20 to any of these corporations that you were forming?

21 A. Yes.

22 Q. Did you ever hear of a company called "Crown  
23 Marketing"?

24 A. Yes.

25 Q. And what was that?

1 A. I don't know.

2 Q. Okay. Do you know who controlled Crown Marketing?

3 MR. IREDALE: Objection. A legal conclusion.

4 THE COURT: Well in that form, I'll sustain  
5 it. Let's ask this question.

6 Crown Marketing now, um, from your -- did you have  
7 anything to do with preparing any papers having to do  
8 with Crown Marketing?

9 THE WITNESS: Typing them, yes.

10 THE COURT: Yeah, typing them. All right.  
11 And what names do you recall of people named as officers  
12 of Crown Marketing or otherwise involved in Crown  
13 Marketing? What names?

14 THE WITNESS: I don't -- Jehu is the only one  
15 I would know of.

16 THE COURT: He's the only one that you knew  
17 of. But there were other names, weren't there?

18 THE WITNESS: Most likely, yes.

19 THE COURT: But you don't recall?

20 THE WITNESS: No, I don't.

21 THE COURT: All right, go ahead, Mr. Herbert.

22 MR. HERBERT: Thank you, your Honor.

23 Could we have Exhibit 112, please.

24 (On screen.)

25 Q. All right. Do you recognize this document,

1 Ms. Peterson?

2 A. Yes, these are the articles of incorporation for  
3 Crown Marketing.

4 Q. Okay. And what if anything did you have with  
5 respect to the preparation of this document?

6 A. I probably typed it.

7 Q. Okay.

8 MR. HERBERT: Could we look at the, um -- just  
9 highlight or blow up the 6th paragraph on Page 1.

10 (Enlarged.)

11 Q. Okay. And it says "The incorporator and his Post  
12 Office address is as follows: Jehu Hand, 24 Calle de la  
13 Luna, San Clemente, California."

14 Do you recognize that address?

15 A. Yes, that's my home address.

16 MR. HERBERT: And could we go to Page 2,  
17 please.

18 (On screen.)

19 Q. The date that's on this, the 28th day of June 2010,  
20 is that accurate, as far as you know, as to when this  
21 was incorporated?

22 A. As far as I know, yes.

23 Q. Do you recognize the signature on Page 2?

24 A. That's Jehu's.

25 Q. Okay. Did Crown Marketing have a bank account as

1 far as you know?

2 A. I don't recall.

3 Q. Okay. When these companies -- did any of the  
4 companies that you incorporated have bank accounts?

5 A. Yes.

6 Q. Okay. And who was responsible for opening those  
7 bank accounts?

8 A. Myself.

9 Q. Okay.

10 MR. HERBERT: Could we have Exhibit 113,  
11 please.

12 (On screen.)

13 Q. Do you recognize Exhibit 113?

14 A. Yes, this is an opening statement for Green 4 Green  
15 at Union Bank.

16 Q. And what was "Green 4 Green"?

17 A. A shell.

18 Q. Okay. And was Union Bank a bank that you would  
19 typically use to open accounts for these companies?

20 A. Not typically, but we used it a couple of times.

21 Q. All right. From whom did you receive instructions  
22 with respect to Green 4 Green?

23 A. Jehu.

24 Q. Did you receive instructions from anyone else?

25 A. No.

1 Q. Did Green 4 Green have any business operations that  
2 you knew of?

3 A. Not that I know of.

4 Q. Okay.

5 MR. HERBERT: Could we look at the bottom of  
6 Page 1 on the left.

7 (On screen.)

8 Q. Whose address is listed there?

9 A. It's my home address.

10 Q. Your home address. Okay.

11 MR. HERBERT: And could we go to Page 4,  
12 please.

13 (On screen.)

14 Q. Do you recognize the signatures on this page?

15 A. Yes. The top one is Yuri Semenov and the second one  
16 is mine.

17 Q. Okay, the second one's yours?

18 A. Yes.

19 Q. All right. How common was it for you to be an  
20 authorized signatory to bank accounts for these  
21 companies?

22 A. Very common.

23 Q. And this lists Yuri Semenov as President of Green 4  
24 Green. Do you know Yuri Semenov?

25 A. I do.



1 Q. How do you know him?

2 A. I met him on several occasions.

3 Q. Where did you meet him?

4 A. The first time in the Ukraine.

5 Q. In the Ukraine. And what were you doing there in  
6 the Ukraine?

7 A. I was at Jehu's wedding.

8 Q. And what if anything did Yuri Semenov have to do  
9 with that wedding?

10 A. He was a friend of Jehu's, he might have been the  
11 best man.

12 Q. And do you know where Mr. Semenov lives?

13 A. Kiev, I believe.

14 Q. And is that in the Ukraine?

15 A. In the Ukraine, yes, sorry.

16 Q. And do you recognize that as his signature?

17 A. Yes, I do.

18 Q. How are you able to recognize his signature?

19 A. I was there on this occasion, I watched him sign it.

20 Q. Okay. Did you ever receive any instructions from  
21 Mr. Semenov as President of Green 4 Green?

22 A. I don't believe so.

23 Q. And, um --

24 MR. HERBERT: Could we have Exhibit 114,  
25 please.

1 (On screen.)

2 Q. And do you recognize this document?

3 A. It's an opening statement for Able Direct Marketing  
4 at Union Bank.

5 Q. Okay. And, um, do you recognize -- and on the  
6 bottom left, is that again your address?

7 A. Yes, it is.

8 Q. And then below that --

9 MR. HERBERT: I wonder if we could blow that  
10 up.

11 (Enlarged.)

12 Q. Do you recognize that?

13 A. That's my old home phone number.

14 Q. What was Able Direct?

15 A. Um, another shell.

16 Q. And, um, from whom did you receive your instructions  
17 with respect to Able Direct?

18 A. Jehu.

19 Q. From anyone else?

20 A. No.

21 Q. Okay.

22 MR. HERBERT: Now could we go to Page 2,  
23 please.

24 (On screen.)

25 Q. All right. And do you recognize your signature

1       there?

2       A.   Yes.

3       Q.   Okay.   And, um --

4                   MR. HERBERT:   And could we go to Page 4,  
5       please.

6                   (On screen.)

7       Q.   And your signature on Page 4 as well?

8       A.   Yes.

9       Q.   Okay.   So --

10                  MR. HERBERT:   If we could just blow that up,  
11       your signature's above something that says "Owner."

12                  (On screen.)

13       Q.   Did you consider yourself the owner of Able Direct  
14       Marketing?

15       A.   No.

16       Q.   Did you consider yourself the owner of this bank  
17       account?

18       A.   Of the bank account?   Well I mean I was the only  
19       signer, so --

20       Q.   Okay.   Did you believe that the funds in that bank  
21       account were your funds?

22       A.   Oh, no.

23       Q.   All right.

24                  MR. HERBERT:   If you could go to Exhibit 113,  
25       please.

1 (On screen.)

2 Q. So you said these were bank records for Green 4

3 Green, is that correct?

4 A. Yes.

5 MR. HERBERT: Could we go to Page 35.

6 (On screen.)

7 Q. All right. Do you recognize this?

8 A. Okay, it's a, um, check from Able Direct to Green 4  
9 Green.

10 Q. Okay. And who signed that check?

11 A. Myself.

12 Q. All right. And who deposited the check?

13 MR. HERBERT: If we could just scroll down a  
14 bit.

15 (On screen.)

16 A. Probably me. Yeah, that's my writing.

17 Q. Okay. And what was this check for?

18 A. Um, for purchase of Crown Marketing shares.

19 Q. Okay. All right.

20 MR. HERBERT: Could we go to actually DK,  
21 please.

22 (On screen.)

23 MR. HERBERT: Oh, I'm sorry, just for the  
24 witness. Thank you.

25 (On witness screen.)

1 Q. Do you see that in front of you?

2 A. Yes, a subscription for Crown Marketing.

3 Q. Okay. And, um --

4 MR. HERBERT: Could we go to the second page,  
5 please, and then the third. (On screen.) Okay.

6 Q. Now, um, what if anything did you have to do with  
7 the preparation of this subscription agreement?

8 A. Yeah, it's likely I could have typed it.

9 Q. Okay.

10 MR. HERBERT: Your Honor, we'd offer this as  
11 Exhibit 115, please.

12 THE COURT: Well again I understood the  
13 protocol was that if you put numbers on them, they're in  
14 evidence.

15 And you have no objection, Mr. Iredale, to 115?

16 MR. IREDALE: Your Honor, I believe it's --

17 MR. HERBERT: I'm being told it's already in  
18 evidence.

19 THE COURT: Yes, so let's not waste time.  
20 It's in evidence.

21 MR. HERBERT: All right.

22 Q. Do you recognize the address for Able Direct on Page  
23 3 there?

24 A. Yeah, I think that's the boat yard address.

25 Q. Okay. And do you recognize the first signature on

1     that Page 3?

2     A.   Um, "Katerina Konuschenko," I think, or "Katya  
3     Konuschenko."

4     Q.   Okay. Do you know where she lives?

5     A.   No, I don't.

6     Q.   Okay. Have you ever met her or spoken to her on the  
7     phone?

8     A.   No, I haven't.

9     Q.   Have you ever sent anything to her?

10    A.   I don't think so.

11    Q.   Do you know of any connection she has to the  
12    defendant?

13    A.   I think he dated her.

14    Q.   Okay. Did you ever see her sign anything?

15    A.   No, I didn't.

16    Q.   So do you know if that is her real signature?

17    A.   No, I don't believe it is.

18    Q.   Why do you say that?

19    A.   I don't know. Because I think I tried to sign this  
20    before and -- it looks vaguely familiar.

21    Q.   I'm sorry, could you explain that? You said you  
22    think you tried to sign this before?

23    A.   Yeah, I think I tried to sign her name and I -- and  
24    she had some weird signature, so.

25    Q.   What would have prompted you to try to sign her

1 name?

2 MR. IREDALE: Objection, it calls for an  
3 opinion or a conclusion.

4 THE COURT: No, he's asking her.  
5 Why did you try to sign her name?

6 THE WITNESS: Jehu asked me to.

7 Q. Do you recognize the signature below hers?

8 A. That's Jehu's.

9 Q. Um -- all right.

10 MR. HERBERT: Go back to Exhibit 113, Page 29,  
11 please. (On screen.) 13, Page 29. (On screen.) Oh,  
12 I'm sorry, Page 35. My mistake.

13 (On screen.)

14 Q. Why did you make out that check?

15 A. For the purchase of the Crown Marketing shares.

16 Q. Okay. On whose initiative was that?

17 A. Jehu.

18 Q. Okay. Did you ever decide on your own to write a  
19 check from any one of these accounts?

20 A. No.

21 MR. HERBERT: Could we go to Exhibit 116,  
22 please.

23 (On screen.)

24 Q. Do you recognize that?

25 A. It's opening account records for Annahuac Management

1 at Bank of America.

2 Q. And what is "Annahuac Management"?

3 A. A shell.

4 Q. Okay. And, um, which names, if anyone's, did you  
5 associate with Annahuac Management?

6 A. Yuri Semenov.

7 Q. All right. Did you ever, um -- from whom did you  
8 receive instructions with respect to Annahuac  
9 Management?

10 A. Jehu.

11 Q. Okay. Did you ever receive any instructions from  
12 Mr. Semenov?

13 A. No.

14 Q. All right.

15 MR. HERBERT: Towards the middle of Page 1,  
16 take a look at that.

17 (On screen.)

18 Q. You're listed as "President of Annahuac Management."  
19 Did you have the authority of President of that company?

20 A. No.

21 Q. All right.

22 MR. HERBERT: Could we go back to Exhibit 113,  
23 Page 21, please.

24 (On screen.)

25 Q. All right. Do you recognize that?



1 A. Yeah, this is an Annahuac check for the Crown  
2 Marketing shares.

3 Q. All right. And whose address is listed under  
4 "Annahuac Management"?

5 A. That's my home address.

6 Q. Okay. And whose signature is on there?

7 A. That's mine.

8 Q. And who deposited this check for Green 4 Green?

9 A. Myself.

10 Q. And on whose instructions, if anyone's, did you sign  
11 or deposit this check?

12 A. Jehu.

13 Q. All right. And you said this check was for the  
14 purchase of stock as well?

15 A. For Crown Marketing shares, yeah.

16 Q. Okay.

17 MR. HERBERT: Could we go to Exhibit 1, DM,  
18 please. Can I just have a second. (Pause.) All right,  
19 Exhibit 117, your Honor.

20 (On screen.)

21 Q. Do you recognize this?

22 A. Um, it's a Crown Marketing subscription agreement.

23 Q. Okay.

24 MR. HERBERT: Can we go to the third page of  
25 this, please.

1 (On screen.)

2 Q. For which company?

3 A. Annahuac Management.

4 Q. All right. Do you recognize the top signature on  
5 that page?

6 A. "William Wilkinson."

7 Q. All right. Now didn't you say a minute ago that you  
8 associated Annahuac with Yuri Semenov?

9 A. I do.

10 Q. But that's not Yuri Semenov's signature?

11 A. No, it's not.

12 Q. And the signature at the bottom?

13 A. Jehu.

14 Q. Okay. And --

15 MR. HERBERT: Could we go to Exhibit 118,  
16 please.

17 (On screen.)

18 Q. And what is this?

19 A. This is opening bank statements for Bioclean, Bank  
20 of America.

21 Q. And what was "Bioclean"?

22 A. It was a shell.

23 MR. IREDALE: Your Honor, I object, it calls  
24 for a legal opinion and --

25 THE COURT: No, it doesn't.

1           What was it?

2           THE WITNESS: A shell as far as I know.

3           THE COURT: She's not a lawyer and she's  
4 giving us opinions as the person that she is.

5 Q. Okay, again on Page 1 in the middle you're listed as  
6 "President of Bioclean Products." Were you in fact the  
7 President of that company?

8 A. No.

9 Q. And from whom did you receive instructions on  
10 Bioclean?

11 A. Jehu.

12 Q. From anyone else?

13 A. No.

14 Q. Okay.

15           MR. HERBERT: Could we go back to Exhibit 113  
16 on Page 34, please.

17           (On screen.)

18 Q. Do you recognize that?

19 A. This would be the check to purchase the Crown  
20 Marketing shares of Bioclean.

21 Q. Okay. And is that your signature?

22 A. It is.

23 Q. And did you deposit the check?

24 A. I did.

25 Q. And do you recognize the handwriting on the check?

1 A. It's mine.

2 Q. Do you know why the address block was written out on  
3 this check?

4 A. This is one of the temporary checks you get when you  
5 open an account.

6 Q. And what was this check for?

7 A. The purchase of Crown Marketing.

8 Q. Okay.

9 MR. HERBERT: Could we go to Exhibit 119,  
10 please.

11 (On screen.)

12 Q. And what is this?

13 A. A subscription agreement for Crown Marketing.

14 Q. Okay.

15 MR. HERBERT: Could we go to Page 3.

16 (On screen.)

17 Q. For which company?

18 A. Bioclean Products.

19 Q. Okay. And, um, do you recognize the address for  
20 Bioclean there on Page 3?

21 A. Yeah, it's the boat yard.

22 Q. Okay. And, um, do you recognize the name that's  
23 written on the top signature line?

24 A. Um, yes, "Doris Turo."

25 Q. Okay. All right. Who is Doris Turo?

1 A. One of Jehu's girls -- girlfriends.

2 Q. Do you know if they were ever married?

3 A. I don't.

4 Q. Okay. And her last name is what?

5 A. "Turo" or "Urueta Turo." I don't know which one's  
6 the last name.

7 Q. Okay. Do you know where she lives?

8 A. Colombia.

9 Q. And by "Colombia," are you referring to a city or a  
10 country or --

11 A. The country of Colombia.

12 Q. Okay. Have you ever met her?

13 A. No.

14 Q. Have you ever spoken to her?

15 A. No.

16 Q. Have you ever sent anything to her?

17 A. Just money.

18 Q. And do you know whether that is really her signature  
19 on that document?

20 A. It is not.

21 Q. How do you know that?

22 A. Because it's my version of hers.

23 Q. Okay. And was that your idea to sign Doris Turo's  
24 name on that document?

25 A. No.

1 Q. Then what prompted you to sign Doris Turo's name on  
2 that document?

3 A. Jehu.

4 Q. How common or uncommon was it for you to sign  
5 another person's name on a document such as this?

6 A. I only did it for Doris and, um, Karen, and I think  
7 I tried for Katya. So it was common for Doris and  
8 Karen, but not for anyone else.

9 Q. And what was Karen's full name?

10 A. Karen Campo Nuriega.

11 Q. And at whose instructions, if anyone's, did you sign  
12 Karen Campo Noriega's name or Doris Turo's name on a  
13 document?

14 A. Jehu.

15 Q. Did you ever sign other people's names on your own  
16 initiative?

17 A. No.

18 Q. Did anyone other than the defendant ever ask you to  
19 sign on behalf of Doris Turo or Karen Campo Noriega?

20 A. No.

21 Q. Okay.

22 MR. HERBERT: Could we have Exhibit 146, Page  
23 39, please. (On screen.) Blow up the text a little  
24 bit. (Enlarged.)

25 Q. Do you recognize that?

1 A. Yeah, I recognize it. Yes.

2 Q. Okay. Directing your attention to the signature  
3 under Bioclean Partners, do you recognize that signature  
4 in particular?

5 A. My version of "Doris."

6 Q. Okay. And do you recognize the signature under, um,  
7 "signed in the presence of Jehu Hand"?

8 A. That's Jehu's.

9 Q. Okay. And do you know whether he was present when  
10 you signed as "Doris Turo"?

11 A. I don't recall.

12 MR. HERBERT: And, your Honor, just for the  
13 record, by agreement of the parties Exhibit 146 will be  
14 just this page, Page 39 of this document.

15 THE COURT: And that's correct, Mr. Iredale?

16 MR. IREDALE: It is, your Honor.

17 THE COURT: And I appreciate him saying that  
18 because you're going to see -- you're going to  
19 physically have these documents and naturally neither  
20 lawyer wants you to think that anything's been kept from  
21 you. This is what they agree has to do with this case.

22 Go ahead.

23 MR. HERBERT: Thank you, your Honor.

24 Could we have Exhibit 120, please.

25 (On screen.)

1 Q. Do you recognize this?

2 A. Yeah, so this is an opening bank statement for  
3 Coldserve Corporation.

4 Q. Okay. And can you tell when this account was  
5 opened?

6 A. In October of 2010.

7 Q. Okay. And who opened it?

8 A. Myself.

9 Q. Um, and again in the middle you're listed as  
10 "President." Did you have the authority as President  
11 for Coolserve?

12 A. No.

13 Q. And what is "Coolserve"?

14 A. A shell.

15 Q. Um, and from whom did you get directions as to  
16 Coolserve?

17 A. Jehu.

18 Q. And from anyone else?

19 A. No.

20 Q. Are you aware of any legal work that the defendant  
21 did for Coolserve?

22 A. Not other than the annual filings or quarterly and  
23 annual filings.

24 Q. Did you ever receive a payment from anyone in  
25 connection with legal service for Coolserve?



1 A. Not that I know of.

2 Q. Okay. Did you have any communication with anyone  
3 claiming to be in control of Coolserve?

4 A. No.

5 Q. And at whose instructions did you open this account?

6 A. Jehu.

7 Q. Okay.

8 MR. HERBERT: Could we go back to Exhibit 113,  
9 Page 22, please.

10 (On screen.)

11 Q. Do you recognize this?

12 A. Yeah, this is a, um, check from the Hand & Hand  
13 trust account and I'm assuming it's for the purchase of  
14 the Crown Marketing shares -- or Coolserve.

15 Q. Okay. What was the Hand & Hand client trust  
16 account?

17 A. Yeah, that's the bank account where client funds are  
18 held.

19 Q. Okay. And did you consider Coolserve to be a  
20 client?

21 A. Yeah.

22 Q. And what was the date of this check?

23 A. July 2010.

24 Q. Okay. And who signed it?

25 A. Myself.

1 Q. And, um, who deposited it?

2 A. Myself.

3 Q. And in the memo line it indicates it's for  
4 Coolserve. What was the purpose of putting that in the  
5 memo line?

6 A. So we'd know where to deduct the funds from.

7 Q. Okay. And how would you know to put Coolserve on  
8 the memo line of this check?

9 A. Jehu would have told me.

10 Q. Okay. Do you know why this check was written from  
11 the client -- from the client trust account instead of  
12 from a Coolserve bank account?

13 A. I don't. Maybe we didn't have a Coolserve account  
14 at the time. I'm not sure.

15 Q. Okay. Were you an authorized signatory to the  
16 client trust account?

17 A. Yes.

18 MR. HERBERT: Could we have Exhibit 121,  
19 please.

20 (On screen.)

21 Q. Do you recognize this?

22 A. The Crown Marketing subscription agreement.

23 Q. And --

24 MR. HERBERT: Could we go to Page 3, please.

25 (On screen.)

1 Q. Do you recognize that address?

2 A. Um, I recognize it as the Belarus address, but I  
3 don't know where it is.

4 Q. Okay. Do you know whose signature is on the top  
5 line there?

6 A. "Alexander Sosnovsky."

7 Q. Okay. Do you know who that is?

8 A. No.

9 Q. Do you have any idea where he lives?

10 A. I think Belarus.

11 Q. Okay. Do you know of any connection that he has to  
12 the defendant?

13 A. I don't know.

14 Q. Okay. And how do you recognize that signature?

15 A. Um, just from having seen it on documents.

16 Q. Have you ever witnessed him sign anything?

17 A. No.

18 Q. And the signature below that is?

19 A. Jehu.

20 Q. Okay.

21 MR. HERBERT: Could we have Exhibit 122,  
22 please.

23 (On screen.)

24 Q. What is this?

25 A. Opening records for Esthetics World, Bank of

1 America.

2 Q. And the date?

3 A. "October 09."

4 Q. Okay, what is Esthetics World?

5 A. Another shell.

6 Q. And, um, from whom did you receive instructions with  
7 respect to Esthetics World?

8 A. Jehu.

9 Q. And from anyone else?

10 A. No.

11 Q. What if any other names do you associate with  
12 Esthetics World?

13 A. Karen Campo.

14 Q. Okay, and why do you associate her name with  
15 Esthetics World?

16 A. Um, she was listed as "President" or "owner" on all  
17 docs.

18 Q. Has Ms. Campo Noriega ever given you any  
19 instructions with respect to Esthetics World?

20 A. No.

21 Q. Who did?

22 A. Jehu.

23 Q. And do you know who Karen Campo Noriega is?

24 A. One of Jehu's girlfriends.

25 Q. Do you know where she lives?

1 A. I think in Colombia, the country.

2 Q. Did you ever meet or speak with her?

3 A. No.

4 Q. Okay.

5 MR. HERBERT: Could we go back to Exhibit 113,  
6 Page 23, please.

7 (On screen.)

8 Q. All right. Now do you recognize that?

9 A. Um, the Esthetics World check for purchase of Crown  
10 Marketing shares.

11 Q. Okay, and the date on that is what?

12 A. July 2010.

13 Q. Who signed and deposited this check?

14 A. Myself.

15 Q. At whose instructions?

16 A. Jehu.

17 MR. HERBERT: Could we go to Exhibit 123,  
18 please.

19 (On screen.)

20 Q. Do you recognize this as a subscription agreement?

21 A. Yes.

22 MR. HERBERT: Could we go to Page 3.

23 (On screen.)

24 Q. For which company?

25 A. Esthetics World.

1 Q. And, um, do you recognize the address next to  
2 Esthetics World's name?

3 A. That would be our resident agent address in Wyoming.

4 Q. What is a "resident agent"?

5 A. That's the gentleman who incorporated all of our --  
6 of our corporations, that was his address.

7 Q. Okay. And do you recognize that first signature?

8 A. That's my version of Karen.

9 Q. So you signed that?

10 A. I did.

11 Q. And at whose instructions did you sign her name on  
12 this subscription agreement?

13 A. Jehu.

14 Q. And whose signature's below?

15 A. Jehu's.

16 Q. Okay.

17 MR. HERBERT: Could we go to Exhibit 124,  
18 please.

19 (On screen.)

20 Q. Do you recognize this document?

21 A. Yeah, it looks like a shareholder ledger for  
22 Esthetics World.

23 Q. Uh-huh. And do you see the date on that?

24 A. Um, June of 2008.

25 Q. Okay. And do you recognize the signature on that?

1 A. That's Jehu's.

2 Q. Okay, and who does it indicate has the shares, all  
3 the shares of that?

4 A. Jehu.

5 Q. Um -- and do you recognize the address under his  
6 name on the top left?

7 A. Yeah, that was our office address.

8 MR. HERBERT: Could we go to Exhibit 125,  
9 please. (On screen.) All right.

10 Q. Do you recognize this document?

11 A. Um, from having seen it, yes.

12 Q. Do you recognize, um, your signature on this  
13 document?

14 A. Yes.

15 Q. Okay. And did you sign as a notary for this  
16 document?

17 A. Yes, correct.

18 Q. Okay. Did you have anything else to do with  
19 preparing this document to the best of your knowledge?

20 A. I don't think so because I don't speak Spanish.

21 Q. Do you recall anything about the circumstances under  
22 which this was created?

23 A. No.

24 Q. Okay.

25 MR. HERBERT: Could we go to Exhibit 126,

1       please.

2                       (On screen.)

3       Q.   Do you recognize that?

4       A.   Yeah, it looks like an e-mail address and a  
5       password.

6       Q.   Okay. Did you ever use this password to log into  
7       Karen Campo Noriega's e-mail account?

8       A.   Not that I recall.

9       Q.   Okay. All right. Do you know who did?

10      A.   No.

11      Q.   Who else worked in your office?

12      A.   Most of the time it was just Jehu and myself.

13      Q.   All right.

14                   MR. HERBERT: Could we go back to Exhibit 113,  
15       Page 20, please.

16                   (On screen.)

17      Q.   Do you recognize that?

18      A.   It's a check from William Wilkinson, it looks like,  
19       for the purchase of the Crown shares.

20      Q.   Okay, Ms. Peterson, do you know who "William  
21       Wilkinson" is?

22      A.   No.

23      Q.   To the best of your knowledge have you ever met  
24       Mr. Wilkinson?

25      A.   No.



1 Q. Have you ever spoken to him?

2 A. No.

3 Q. Did you ever communicate with him in any other way?

4 A. I think I e-mailed him a few times.

5 Q. Okay, and did you ever get a response back from him?

6 A. I don't think so.

7 Q. Okay. Did you ever send any mail to him?

8 A. No.

9 Q. Did you ever send him a fax or receive a fax from  
10 him?

11 A. No.

12 Q. Okay. Did you ever keep any contact information for  
13 him?

14 A. No.

15 Q. What if anything did the defendant say to you about  
16 William Wilkinson?

17 A. He never said anything about him.

18 Q. Are you aware of any legal work the defendant did  
19 for William Wilkinson?

20 A. No.

21 Q. Did you ever receive any payment for legal services  
22 from William Wilkinson?

23 A. Not that I know of.

24 Q. Did you ever receive any instructions from  
25 Mr. Wilkinson to wire money anywhere?

1 A. No.

2 Q. And how did you come to know that name?

3 A. Jehu.

4 Q. Do you know where Mr. Wilkinson lives?

5 A. No.

6 Q. All right. So do you recognize the address below  
7 the name "William Wilkinson" on the check?

8 A. It's my home address.

9 Q. Did you receive bank statements for that account at  
10 that address at your house?

11 A. It's possible.

12 Q. Okay, and what would you have done with them?

13 A. I would have put them in a paper file.

14 Q. Did you ever send them to Mr. Wilkinson?

15 A. No.

16 Q. Did he ever ask for them?

17 A. Nope.

18 Q. Do you recognize the William Wilkinson's signature  
19 on that check?

20 A. Yes.

21 Q. And how do you recognize that?

22 A. From having seen it on documents.

23 Q. Did you ever witness him sign anything?

24 A. No.

25 THE COURT: Just a question. And he's

1 focusing on Wilkinson.

2 But these various checks that you're being shown,  
3 the copies, they all appear to be "For Deposit Only."  
4 Do you know why that is?

5 THE WITNESS: Why it's stated there?

6 THE COURT: Yeah.

7 THE WITNESS: That's what I put on the check  
8 when I deposit it.

9 THE COURT: Oh. So in other words, just so I  
10 understand, once you received it and deposited it in the  
11 appropriate corporate account, you would endorse it "For  
12 Deposit Only"?

13 THE WITNESS: Yes.

14 THE COURT: And that was your practice?

15 THE WITNESS: Correct.

16 THE COURT: Where did that practice come from?

17 THE WITNESS: I don't know. That's what I  
18 learned.

19 THE COURT: That's what you learned. Fine.

20 Go ahead, Mr. Herbert.

21 MR. HERBERT: Thank you, your Honor.

22 Could we have Exhibit 147, please.

23 (On screen.)

24 Q. Do you recognize this?

25 A. It's a FedEx label.

1 Q. And, um, what if anything -- do you see your return  
2 address on the top?

3 A. Yes.

4 Q. Okay. And, um, do you recognize any of the  
5 handwriting on this?

6 A. Yeah, I crossed out "Drive" and wrote "Road."

7 Q. Okay.

8 MR. HERBERT: Could we go to the second page  
9 of this.

10 (On screen.)

11 Q. And do you recognize the individual for whom these  
12 documents apply?

13 A. Yeah, William Wilkinson.

14 Q. Okay. And if you look at -- do you see under "Home  
15 Address" an address of "275 Palm Beach, Jolly Harbour,  
16 Antigua"?

17 A. Uh-huh.

18 Q. Do you recognize that address?

19 A. I recognize it, yes.

20 Q. Okay. Do you know who lives at that address or  
21 lived?

22 A. No, I don't.

23 Q. Okay. How about the daytime phone for Mr. Wilkinson  
24 that's listed there, do you recognize that?

25 A. I don't know. No.

1 Q. Okay.

2 MR. HERBERT: Could we go to Exhibit ER for  
3 identification, um, and just for the witness. I'm  
4 sorry.

5 (On witness screen.)

6 Q. Yes. Do you recognize that?

7 A. No.

8 Q. Okay. Do you recognize on the top left, um, there's  
9 a user name there. Do you recognize that user name?

10 A. Yeah, that's, um, the prefix to Jehu's e-mail.

11 Q. Okay. And then next to that, do you see a number?

12 MR. IREDALE: I object on the basis of the  
13 best evidence rule, the document's not in evidence.

14 MR. HERBERT: I'm not asking her for the  
15 contents of what's there, your Honor, I'm --

16 THE COURT: All right, this is a document not  
17 in evidence. All right. I'll have that in mind.

18 And I thank you, Mr. Iredale.

19 Go ahead. It's not being shown to the jury?

20 MR. HERBERT: Correct, your Honor.

21 THE COURT: Then go ahead.

22 Q. Okay. Do you see the number that's listed next to  
23 that user name?

24 A. I see it.

25 Q. Okay. And was that -- what if any relationship did

1       that have to the phone number we just saw?

2       A.   I think it was the same number, but I still don't  
3       recognize it.

4       Q.   Okay.   All right.

5               MR. HERBERT:   So I would offer this as Exhibit  
6       148, your Honor.

7               MR. IREDALE:   Your Honor, objection, lack of  
8       foundation.

9               THE COURT:   And how is this document  
10      denominated, what letters?

11              MR. HERBERT:   ER, your Honor.

12              THE COURT:   ER.   Sustained, without prejudice.  
13      But on that foundation, sustained.

14              MR. HERBERT:   Yes, your Honor.

15              Could we have Exhibit 149, please.

16              (On screen.)

17              MR. IREDALE:   Just one second, your Honor.  
18      Counsel indicates that we had a conversation and I  
19      agreed to this admission.   As to the two entries  
20      therefore, although my memory's not perfect, I consider  
21      myself --

22              THE COURT:   Then withdraw the objection.

23              MR. IREDALE:   I withdraw the objection.

24              THE COURT:   It's withdrawn.   It may be  
25      admitted as Exhibit --

1           And you called out the number?

2           MR. HERBERT: The exhibit number would be 148,  
3 your Honor.

4           THE COURT: 148 in evidence.

5           MR. HERBERT: Thank you, your Honor.

6           THE COURT: Thank you, both.

7           (Exhibit 148, marked.)

8 Q. And taking a look at Exhibit 149, do you recognize  
9 that?

10 A. It's a Verizon phone bill.

11 Q. Okay.

12           MR. HERBERT: Could we go to Page 345, please,  
13 of this. (On screen.) Okay.

14 Q. Whose bill is this here?

15 A. This is my bill.

16 Q. Okay. And who is Randall Peterson?

17 A. My husband.

18 Q. Okay. And the date of this bill is what?

19           MR. HERBERT: If we go to the bottom.

20           (On screen.)

21 A. Um, November to December of 2012. So December 28th,  
22 2012.

23 Q. Okay.

24           MR. HERBERT: And on Page 346, if we could go  
25 to that.

1 (On screen.)

2 Q. All right. At the top it says "Detail for Kimberly  
3 Hand," and then there's a phone number there. Do you  
4 know who "Kimberly Hand" is?

5 A. Jehu owned the number before myself, so when I  
6 pulled it to my personal account, they just never fixed  
7 the name.

8 Q. Okay. And is that your phone number next to the  
9 name?

10 A. It is.

11 Q. Okay.

12 MR. HERBERT: And could we go to Page 352,  
13 please.

14 (On screen.)

15 Q. Okay.

16 MR. HERBERT: Could we blow up a column on  
17 12-28 at 2:13 p.m. (On screen.) All right.

18 Q. And do you see, um, that call there with that  
19 305-407-3566 number?

20 A. Uh-huh.

21 Q. Do you know who that was with?

22 A. No.

23 Q. Okay. Do you have any memory of speaking to a  
24 Mr. Wilkinson on that phone at that time?

25 A. No.



1 Q. All right.

2 MR. HERBERT: Could we go to Exhibit 127,  
3 please.

4 (On screen.)

5 Q. And do you recognize this?

6 A. It's a subscription agreement for Crown Marketing.

7 MR. HERBERT: Could we go to Page 3, please.

8 (On screen.)

9 Q. And this is for which?

10 A. William Wilkinson.

11 Q. All right. And, um, I've asked you about the  
12 address in Antigua. Do you recognize the signatures?

13 A. That's William Wilkinson, and Jehu.

14 Q. And when you say "That's William Wilkinson," is that  
15 the signature that you associated with William  
16 Wilkinson?

17 A. Yes, that's correct.

18 Q. All right.

19 MR. HERBERT: Could we go to Exhibit 193,  
20 please.

21 (On screen.)

22 Q. Do you recognize this document?

23 A. This is an S-1 with the SEC.

24 Q. Do you know who filed this with the SEC?

25 A. Jehu.

1 Q. And where was he in January of 2012?

2 A. Um, California? I'm not precise.

3 Q. All right. Do you know if you were in the Dana  
4 Point office at that point?

5 A. Um, I think we -- at least he was, I think, at the  
6 boat yard address.

7 Q. Okay. Do you know what if any information was  
8 required in order to file this with the SEC?

9 A. No, I don't know.

10 Q. Okay. Do you know if there was a user name and  
11 login that was required for the EDGAR system?

12 A. Yes, for sure.

13 Q. Okay. And who in your office had the login  
14 information to file documents electronically with the  
15 SEC?

16 A. Myself and Jehu.

17 Q. Anyone else?

18 A. No.

19 Q. Okay.

20 MR. HERBERT: Go to, um --

21 Q. Well actually, before I do that, you testified  
22 previously that you didn't file documents electronically  
23 with EDGAR?

24 A. No, I didn't know how.

25 Q. Okay.

1 MR. HERBERT: Could we go to Page 13, please.

2 (On screen.)

3 Q. All right. Do you see under "Management" it  
4 indicates an "Igor Produn, Chief Excecutive and  
5 Financial Officer and Director"?

6 A. Uh-huh. Yes.

7 Q. Do you know who Igor Produn is?

8 A. A friend of Jehu's.

9 Q. Okay. Do you know anything about him?

10 A. I don't.

11 Q. Okay. Do you know where he lives?

12 A. I think he's in the Ukraine.

13 Q. Okay. Have you ever met him?

14 A. No.

15 Q. Did you ever speak to him on the phone?

16 A. No.

17 Q. Did you ever receive instructions from him with  
18 respect to Crown Marketing?

19 A. No.

20 MR. HERBERT: Could we go to Page 15.

21 (On screen.)

22 Q. Do you see there a list of selling stockholders --

23 MR. HERBERT: Actually from the middle down.

24 (On screen.)

25 A. Yes.

1 Q. Okay. Did you have 1,000 shares of Crown Marketing  
2 stock yourself?

3 A. I did.

4 Q. How did that come about?

5 A. Um, I was given a subscription agreement and  
6 purchased shares.

7 Q. Okay. And who gave you the subscription agreement?

8 A. Jehu.

9 Q. And do you recall how much you paid for those  
10 shares?

11 A. Probably \$100.

12 Q. Did you ever sell those shares?

13 A. I don't recall.

14 Q. Okay. And after signing a subscription agreement,  
15 did you have any more involvement in the process of  
16 listing the shares or their subsequent sale?

17 A. Um, no.

18 Q. Were you involved in the promotion of the stock?

19 A. No.

20 Q. Who are "Randall" and "Taylor Peterson"?

21 A. Husband and daughter.

22 Q. Okay. And Vicky Foster?

23 A. A friend.

24 Q. Of yours?

25 A. Yes, a friend of mine.

1 Q. Okay. Christie Roberts?

2 A. My sister.

3 Q. Richard Solotsky?

4 A. Father.

5 Q. Mary Roberts Solotsky?

6 A. Mother.

7 Q. Scott Roberts?

8 A. Brother.

9 Q. Jody Roberts?

10 A. Sister-in-law.

11 Q. Okay. Did they all have shares in Crown?

12 A. They did.

13 Q. How did they get them?

14 A. The same way as me, signed the subscription  
15 agreement and purchased for \$100.

16 Q. Okay. Do you know what "Pacific Coast  
17 Administrators" was?

18 A. A company of Adam's.

19 Q. Adam who?

20 A. Adam Hand, Jehu's brother.

21 Q. Do you know what kind of business Adam Hand was in?

22 A. No, I don't.

23 Q. Did he ever work out of the defendant's office?

24 A. A couple of times, yes.

25 Q. Do you know approximately when?

1 A. Um, between 2010 and 2012.

2 Q. Okay. And to the best of your knowledge did he ever  
3 do any work for the defendant's firm?

4 A. No.

5 Q. Okay. Do you see on this page a reference to  
6 "Bioclean"?

7 A. Yes.

8 Q. And then there's a footnote down below that says the  
9 control person is "Doris Urueta"?

10 A. Yes.

11 Q. Do you know who that is?

12 A. Well that's the name I associate with Bioclean.

13 Q. Okay. So was she the same individual that you  
14 referred to as "Doris Turo"?

15 A. "Doris Urueta Turo," that was her full name.

16 Q. And, um --

17 THE COURT: Excuse me, Mr. Herbert, I think  
18 we're going to take the morning recess a little early  
19 this morning.

20 And so we will take the morning recess until about  
21 7 minutes after 11:00. You have not heard all the  
22 testimony, so please keep your minds suspended, do not  
23 discuss the case either among yourselves, nor with  
24 anyone else. We'll stand in recess for one half hour.  
25 We'll recess.

1 THE CLERK: All rise for the jury.

2 (Jury leaves, 10:40 a.m.)

3 THE COURT: Please be seated.

4 Before we recess, just a request of you,  
5 Mr. Herbert. About how much longer have you for this  
6 witness?

7 MR. HERBERT: Um, I'm about halfway through,  
8 so maybe another hour, your Honor.

9 THE COURT: Thank you. We'll recess.

10 (Recess, 10:40 a.m.)

11 (Resumed, 11:10 a.m.)

12 THE COURT: Go ahead, Mr. Herbert.

13 MR. HERBERT: Thank you, your Honor.

14 Q. Ms. Peterson, before the break we were looking at  
15 Exhibit 193, Page 15.

16 MR. HERBERT: If you'd bring that up again.

17 (On screen.)

18 Q. In addition to the individuals you listed, um, that  
19 were related to you or friends of yours, do you see  
20 underneath that, um, the list of other individuals,  
21 "Pacific Coast Administrators," "William Wilkinson," et  
22 cetera?

23 A. Yes.

24 MR. HERBERT: And if we go actually down to  
25 the bottom.

1 (On screen.)

2 Q. I think we were just talking about the control  
3 person for Bioclean Products was Doris Urueta, is that  
4 correct?

5 A. Yes.

6 Q. Okay.

7 MR. HERBERT: And then also there looks like  
8 there's footnotes that continue onto the next page. If  
9 we just go back to 15 for just a second.

10 (On screen.)

11 Q. All right. So it indicates for Able Direct  
12 Marketing the control person is Katya Konuschenko. Do  
13 you recall that?

14 A. Yes.

15 Q. And then for Coolserve --

16 MR. HERBERT: Can we go to the next page,  
17 please.

18 (On screen.)

19 Q. The control person is Alex Sosnovsky?

20 A. Yes.

21 Q. For Annahuac Management, it indicates Yuri Semenov?

22 A. Yes.

23 Q. And for Esthetics World, Karen Campo?

24 A. Yes.

25 Q. All right.



1           Did you ever discuss any of these companies with  
2 anyone listed in this S-1 as a control person?

3       A.   No.

4       Q.   Okay.

5                   MR. HERBERT: Your Honor, the parties have  
6 reached a stipulation with respect to Exhibit 205. If  
7 we could bring that up.

8                   (On screen.)

9                   MR. HERBERT: The parties have stipulated that  
10 Exhibit 205 is an accurate English translation of the  
11 document that was in evidence as Exhibit 125.

12                   THE COURT: So stipulated, Mr. Iredale?

13                   MR. IREDALE: Yes, your Honor.

14                   THE COURT: Thank you.

15                   And you understand what a stipulation is.

16                   Go ahead, Mr. Herbert.

17                   MR. HERBERT: Thank you, your Honor.

18       Q.   Taking a look at this English translation of the  
19 document that we previously looked at as Exhibit 125 --

20       A.   Uh-huh.

21       Q.   -- it says: "March 18th, 2011, I authorize Karen  
22 Edith Campo Noriega with us to do as follows: To take  
23 our daughter, Tanya Michelle Hand Campo, outside of the  
24 Republic of Colombia to travel abroad." And there's a  
25 signature and it says "Jehu Thomas Degerold Hand," with

1 passport number. And then you had signed, you indicated  
2 as to the notary of that.

3 In taking a look at this English translation, does  
4 that, um, refresh your memory as to whether you knew  
5 anything as to the circumstances under which this  
6 document was created?

7 A. Um, it's vaguely familiar, but otherwise no.

8 Q. Okay. And do you recognize that to be the  
9 defendant's entire name, "Jehu Thomas Degerold Hand"?

10 A. Yes.

11 MR. HERBERT: Could we go to Exhibit 133,  
12 please. Could we just blow up the text there, please.

13 (Enlarged.)

14 Q. Okay. This is a document that is signed by "Igor  
15 Produn, President." And if you just take a look at that  
16 first sentence, it says: "All investors were solicited  
17 by an Officer, Kimberly Peterson, who was Assistant  
18 Treasurer at the time and now Corporate Secretary as  
19 well and by Mr. Produn."

20 Did you solicit any investors in Crown Marketing  
21 other than the friends and family you've testified  
22 about?

23 A. No.

24 Q. And if you look at the third sentence of Paragraph  
25 1, "The purchasers in the unit offering are all

1 customers of Ms. Peterson's secretarial services  
2 business, except for Annahuac Management, which is owned  
3 by a friend of Mr. Produn."

4 Were any investors in Crown Marketing customers of  
5 your secretarial services business?

6 A. No.

7 Q. Did you even have a secretarial services business in  
8 2012?

9 A. Well, I think I was working as a consultant so, um,  
10 yeah, that would have been it.

11 Q. Did you have any customers other than the defendant?

12 A. No.

13 MR. HERBERT: Could we go to Exhibit 128,  
14 please.

15 (on screen.)

16 Q. All right. This is a letter dated April 5th, 2012  
17 from Mark Dillon of Pennaluna to Eric Mayes at FINRA.  
18 Do you know what "FINRA" is?

19 A. It's a regulatory agency.

20 Q. And do you know what "Pennaluna" is?

21 A. A brokerage firm.

22 Q. Okay.

23 MR. HERBERT: Could we go to Page 2, please.

24 Q. So Mr. Dillon's letter attaches a March 29th, 2012  
25 letter from FINRA, which, if you look at the end of the

1 first paragraph, it requests certain information. Do  
2 you see that?

3 A. Yes.

4 Q. And if we look at Page 3, at Number 7, do you see  
5 what they're asking for there?

6 A. Yeah, they want to see the executed subscription  
7 documents and the checks for each of those.

8 Q. All right. Do you know whether you ever saw this  
9 letter when it came in?

10 A. I probably did.

11 Q. Okay.

12 MR. HERBERT: Could we go to Exhibit 129,  
13 please.

14 (On screen.)

15 Q. Do you recognize this document?

16 A. Yes.

17 Q. Okay, what do you recognize that to be?

18 A. It was an e-mail from Jehu to myself to, um, get  
19 copies of cancelled checks.

20 MR. HERBERT: Can we just blow up the header  
21 on that.

22 (Enlarged.)

23 Q. Okay. What's the sending e-mail address?

24 A. Jehu's.

25 Q. "Dohenyboy@aol.com"?

1 A. Yes.

2 Q. Okay. Did he use that to communicate with you over  
3 the years?

4 A. Yes, often.

5 Q. And the receiving e-mail?

6 A. Is my personal.

7 Q. Okay. And did you use any other e-mail address in  
8 connection with your business?

9 A. No.

10 Q. All right. So the subject line reads: "Did you see  
11 the note about the five canceled checks I need? RE:  
12 Green 4 Green, etc. deposits July and September 2010,"  
13 and this e-mail's dated April 2nd of 2012.

14 Do you know what the reference to the note was in  
15 the subject line?

16 A. Yes, it referred to the Dillon letter, or the FINRA  
17 letter.

18 Q. Okay.

19 MR. HERBERT: And if we could collapse that  
20 and then just blow up the handwriting on that page.

21 (On screen.)

22 Q. Do you recognize the handwriting on this page?

23 A. Yeah, the top half is mine and the bottom half is  
24 Jehu's.

25 Q. Okay. And what does your handwriting refer to

1       there?

2       A.   That would be the bank account, the check number,  
3       the date, and the amount.

4       Q.   Okay. All right. And where it says "E-World," what  
5       does that refer to?

6       A.   "Esthetics World."

7       Q.   Okay. And "Wilkinson," what does that refer to?

8       A.   "William Wilkinson."

9       Q.   Okay. "H & H and WFB Trust"?

10      A.   "Hand & Hand Wells Fargo Bank Trust."

11      Q.   Okay. And that wasn't one of the items listed in  
12      the FINRA letter, do you know why that's on there?

13      A.   Um, we probably used that client's fund from that  
14      trust account.

15      Q.   Okay. And do you recall seeing a check earlier, a  
16      bank check, um --

17      A.   Right, the Coolserve, I think.

18      Q.   The Coolserve?

19      A.   Yes.

20      Q.   All right. Do you know what your note "Ordered"  
21      means?

22      A.   I ordered it from the bank.

23      Q.   All right.

24               Now, Ms. Peterson, in 2016 did you receive a grand  
25      jury subpoena in this case?

1 A. I'm sorry, when?

2 Q. In 2016 -- or 2015.

3 A. Yes. Yes. Yes.

4 Q. Okay. What if anything did you do with respect to  
5 document retrieval in response to that subpoena?

6 A. I ordered any documents they asked for and I sent  
7 them to my attorney.

8 Q. Okay, ordered them from where?

9 A. From storage.

10 Q. Whose storage?

11 A. "Offsite Storage," a company we used for years.

12 Q. Okay, was that your own personal storage or was that  
13 --

14 A. No, office storage.

15 Q. Okay. From the Hand & Hand storage?

16 A. Yes.

17 Q. Okay. And what did you do with what you retrieved  
18 from storage?

19 A. I delivered it to my attorney's office.

20 Q. Okay, for what purpose?

21 A. I guess they were shipping it to you or --

22 Q. Okay, was that in response to the subpoena?

23 A. Yes.

24 Q. So, in other words, did you deliver them to your  
25 attorney to give to the government?

1 A. Correct, yes.

2 Q. Okay. Did you alter the contents of the checks that  
3 you retrieved in any way?

4 A. No.

5 MR. HERBERT: Could we have Exhibit 130,  
6 please.

7 (On screen.)

8 Q. Okay.

9 MR. HERBERT: Can we just page through this  
10 Exhibit 130.

11 (Scrolls on screen.)

12 Q. Okay. Do you recognize what those documents are?

13 A. Yeah, those were copies of the subscription of --

14 Q. Okay, and does that relate to the e-mail that you  
15 got from Mr. Hand on April 2nd?

16 A. Yes.

17 Q. And your notes?

18 A. Yes.

19 Q. Okay.

20 MR. HERBERT: Going back to Exhibit 129, um,  
21 that 4-2-12 e-mail from the defendant to you.

22 (On screen.)

23 Q. When you got the checks in response to this e-mail,  
24 what did you do with them?

25 A. I would have attached them to this note and left



1       them on his deck.

2       Q.   Whose desk?

3       A.   Jehu.

4       Q.   Okay.  Have you had a chance to compare the checks  
5       in Exhibit 130 to the copies of the checks from the  
6       Green 4 Green bank records that we saw in Exhibit 113?

7       A.   Yes.

8       Q.   And did you see any differences between those  
9       checks?

10      A.   No.

11      Q.   Okay.

12                   MR. HERBERT:  Could we go to Exhibit 131,  
13      please.

14                   (On screen.)

15      Q.   All right.  Do you see this e-mail here?

16      A.   Okay.

17      Q.   Okay.  This e-mail's dated April 3rd, 2012.  How  
18      long was that after the defendant's e-mail to you?

19      A.   The next day.

20      Q.   All right.  Do you recognize the sending e-mail  
21      address on Exhibit 131?

22      A.   It's one of Jehu's addresses.

23      Q.   Okay.  And did you ever use that e-mail to send  
24      things out as if you were Jehu Hand?

25      A.   No.

1 Q. Um, do you know who "Ashley Dillon" is?

2 A. Um, she's one of the owners, I think, of Pennaluna.

3 Q. All right. And do you recognize the cc e-mail  
4 address?

5 A. "Carlos Duque."

6 Q. And who is "Carlos Duque"?

7 A. An attorney here in Boston.

8 Q. Okay. Do you know what if any relationship he had  
9 to the defendant?

10 A. He was just a personal friend, I think.

11 Q. Okay. Do you know what if any involvement he had  
12 with Crown Marketing?

13 A. I don't know.

14 Q. Okay.

15 MR. HERBERT: So let's go to the attachments  
16 to this e-mail, could we go to Page 8, please.

17 (On screen.)

18 Q. Do you recognize this check?

19 A. The William Wilkinson check.

20 Q. Okay.

21 MR. HERBERT: Can we show this page on the  
22 left of the screen and Exhibit 130, Page 6, on the  
23 right.

24 (On screen.)

25 MR. HERBERT: I think you're able to --

1 Q. Let us know if you're able to read this?

2 A. Yeah, I can see it.

3 Q. You testified that Exhibit 130 was the canceled  
4 checks you retrieved from Hand & Hand storage and  
5 produced to the grand jury, correct?

6 A. Yeah. The one on the right?

7 Q. Yeah.

8 A. Yes.

9 Q. Okay. How does the check that was attached to the  
10 defendant's e-mail to Ashley Dillon compare with the  
11 check you received from the bank?

12 A. Um, well it's missing all of the surrounding  
13 notation from Wells Fargo.

14 Q. Okay.

15 A. The check itself is missing the address.

16 Q. Okay.

17 A. And I believe that's --

18 Q. Whose address was on the original check?

19 A. I believe that was my home address. I can't quite  
20 see it.

21 Q. Okay. Did you alter this check in any way before  
22 giving it to the defendant?

23 A. No.

24 Q. And specifically did you remove your address from  
25 this check before giving it to the defendant?

1 A. No.

2 Q. Do you know how your address came to be removed from  
3 that check?

4 A. No.

5 Q. Are these two copies of the checks otherwise the  
6 same?

7 A. Um, yes.

8 Q. In other words it's the same check number?

9 A. Yes.

10 Q. The same bank?

11 A. Yes.

12 Q. The same date?

13 A. Yes.

14 Q. Okay.

15 MR. HERBERT: Can we go to, um, Page 9 of  
16 Exhibit 131.

17 (On screen.)

18 Q. So the next attachment to the defendant's e-mail to  
19 Pennaluna was the Able Direct Marketing check. Do you  
20 see that?

21 A. I do.

22 Q. And we have that on the left of the screen in  
23 Exhibit --

24 MR. HERBERT: Could we have Exhibit 30, Page  
25 1, on the right.

1 (On screen.)

2 Q. All right. What if any differences do you see in  
3 those two checks?

4 A. Um, okay, well again it's missing like the banking  
5 notations on it, and it's also signed by Katya, not  
6 myself.

7 Q. Okay. Did you sign that document as "Katya"?

8 A. No.

9 Q. Okay. Do you know how the change in that check  
10 occurred?

11 A. No.

12 Q. Did you do anything to alter that check?

13 A. No.

14 Q. Are those two checks otherwise the same in terms of  
15 the date and the check number?

16 A. Um, they appear to be. One is much more clean.

17 Q. Uh-huh. Okay.

18 MR. HERBERT: All right, could we go to  
19 Exhibit 131, Page 26, please.

20 (On screen.)

21 Q. Okay. So another attachment to the defendant's  
22 e-mail to Ashley Dillon was this check, um, from  
23 Bioclean Products, do you see that?

24 A. Yes.

25 Q. And again --

1 MR. HERBERT: So could we have Exhibit 130,  
2 Page 3, on the right of the screen, please.

3 (On screen.)

4 Q. And again, can you compare the date and the check  
5 numbers of those checks?

6 A. Yeah, they're the same.

7 Q. And what if any differences do you see between those  
8 two checks?

9 A. One is signed by Doris and one is signed by myself.

10 Q. Okay. And the original -- so the original check was  
11 signed by you?

12 A. Yes.

13 Q. Okay. Did Doris U. Turo even have signature  
14 authority on this bank account?

15 A. No.

16 Q. Okay. Did anyone other than you have signature  
17 authority on any of these bank accounts?

18 A. No. Well Jehu had the signature on the two Hand &  
19 Hand accounts.

20 Q. Okay. But otherwise?

21 A. Otherwise, no.

22 Q. Okay. Could anyone other than you even have ordered  
23 these checks?

24 A. No.

25 Q. So do you know who wrote that Doris U. Turo name

1       that's now on the signature line?

2       A.   That's my version of her signature, but I did not  
3       sign that check.

4       Q.   Okay. Did you alter your signature on the canceled  
5       check obtained from the bank?

6       A.   No.

7       Q.   Did you have any role in altering your signature?

8       A.   No.

9       Q.   Do you know how that check got changed from the one  
10       you gave to the defendant to the one that was sent to  
11       Pennaluna?

12       A.   No.

13                   MR. HERBERT: Could we now go to Exhibit 132,  
14       please.

15                   (On screen.)

16       Q.   Do you see this document?

17       A.   Yes.

18       Q.   Okay.

19                   MR. HERBERT: Could we go to Page 5 of this,  
20       please.

21                   (On screen.)

22       Q.   All right. Do you see this letter from Carlos Duque  
23       to Mark Dillon?

24       A.   Uh-huh.

25       Q.   Responding on behalf of Crown, an April 18th, 2012

1 letter?

2 A. Yeah.

3 Q. The first item covers three missing checks?

4 A. Okay.

5 MR. HERBERT: Could we go to Page 6, please.

6 (On screen.)

7 Q. The first attachment is a check from Annahuac  
8 Management.

9 MR. HERBERT: Could we show this on the left  
10 of the screen and Exhibit 130, Page 2, on the right.

11 (On screen.)

12 Q. All right. What differences do you see between  
13 these two checks?

14 A. Um, the one on the left is signed by Yuri, which,  
15 now that you show me this, he did have signature  
16 authorization on this account.

17 Q. Okay. But did he sign this original check?

18 A. No.

19 Q. Okay. And you testified that Exhibit 130, the one  
20 on the right, is the original check, right?

21 A. Right. Right.

22 Q. Okay. And do you notice any differences with  
23 respect to your address under the "Annahuac Management"  
24 name?

25 A. Yes, the address is missing on Yuri's.



1 Q. Okay. And on the one on the left, do you know that  
2 to be Yuri Semenov's signature or is it just one that  
3 you've associated with that name?

4 A. Um, that looks like his signature.

5 Q. Okay. Did you change or alter this check in any way  
6 before you gave it to the defendant?

7 A. No.

8 Q. Do you know how those changes occurred?

9 A. No.

10 Q. Okay.

11 MR. HERBERT: Could we go to Page 8 of Exhibit  
12 132, please.

13 (On screen.)

14 Q. Okay.

15 MR. HERBERT: Yeah, let's just stick with the  
16 one on the left for now.

17 (On screen.)

18 Q. Do you recognize this last attachment to the letter  
19 from Mr. Duque?

20 A. Yeah, that would be the Esthetics World check.

21 Q. Okay.

22 MR. HERBERT: Could we keep this on the left  
23 and show Exhibit 130, Page 5, on the right, please.

24 (On screen.)

25 Q. All right. And what if any differences are there in

1       these two checks?

2       A.   So this one is missing the address as well and has  
3       some like static above the outline of the check.

4       Q.   And by "this one" do you mean Exhibit 132, the one  
5       on the left?

6       A.   The one on the left, yeah.  It's signed by Karen  
7       Campo, and she's not a signer.

8       Q.   Okay.

9       A.   And the location of the bank is different as well.

10      Q.   Okay.  All right.  The original one is San Clemente,  
11      California, is that right?

12      A.   Right, which is the correct one.

13      Q.   And the one on the -- the one on Exhibit 132 on the  
14      left is San Diego?

15      A.   Correct.

16      Q.   And do you know if the one in Exhibit 132 is Karen  
17      Campo Nuriega's actual signature?

18      A.   No, that's my signature of her name.

19      Q.   Okay.  But did you sign Karen Campo's name on the  
20      original of this check?

21      A.   No.

22      Q.   Okay.  Do you notice any differences with respect to  
23      the length of the line between the original check and  
24      the one on the left, in 132?

25      A.   The line looks a little longer on the original.

1 Q. Okay. And do you notice any differences with  
2 respect to the space between the authorized signature  
3 and the signature line?

4 A. The original has less space between it.

5 Q. All right. And otherwise is it the same check  
6 number and date?

7 A. Yeah. Yes.

8 Q. Did you play any role in altering this check before  
9 you gave it to the defendant?

10 A. No.

11 Q. Do you have any idea how it came to be altered?

12 A. No.

13 Q. All right.

14 MR. HERBERT: Could we go to Exhibit 202,  
15 please.

16 (On screen.)

17 Q. All right. Now, do you see in the top row of red  
18 boxes, the third from the left is one for "Arrakis  
19 Financial"?

20 A. Okay.

21 Q. Do you recognize that name, "Arrakis Financial"?

22 A. Yes, from having typed it.

23 Q. Okay. How do you recognize the name other than  
24 that?

25 A. Just from having typed it.

1 Q. Okay. Do you know what if any connection it has to  
2 the defendant?

3 A. I don't know the connection.

4 Q. Okay. And then, um, do you see, third from the  
5 right, a indication of a company called "Wohllieichender  
6 Blumgarten"?

7 A. It's missing an "e," but, yes.

8 Q. Okay. And do you recognize that?

9 A. Yes, from having typed it.

10 Q. Okay. And who would have asked you to type, um,  
11 documents related to Arrakis or Wohllieichender  
12 Blumgarten?

13 A. Jehu.

14 Q. Okay. Um -- all right.

15 MR. HERBERT: We can close that document.

16 (Takes off screen.)

17 Q. Are you familiar with a company called "Diluth  
18 Venture Capital Partners"?

19 A. I recognize it, yes.

20 Q. And what do you recognize it to be?

21 A. A shell of Jehu's.

22 Q. Okay. Do you know if Igor Produn had, um, any  
23 involvement with Diluth Venture Capital Partners?

24 A. Not that I know of.

25 Q. Okay. Have you ever heard of something call "JK

1 Advisors Hedge Fund"?

2 A. I have.

3 Q. Okay, what is that?

4 A. A shell.

5 Q. Okay. All right. And how about "JK Advisors, LLC"?

6 A. It's familiar.

7 Q. Okay. Familiar?

8 A. I don't know anything about it.

9 Q. Okay. But is it familiar from the context of your  
10 work?

11 A. Yeah, just the name.

12 Q. Okay.

13 MR. HERBERT: Could we show Exhibit 16,  
14 please, um, Page 2.

15 (On screen.)

16 Q. Okay. Do you recognize what's in this exhibit?

17 A. These are corporation documents for JK Advisors.

18 Q. Okay. And under Section 5 --

19 MR. HERBERT: Could you blow it up.

20 (Enlarged.)

21 Q. -- who does that indicate as the manager of JK  
22 Advisors?

23 A. Jehu.

24 Q. And did you have anything to do with preparing this  
25 document?

1 A. It's 50/50 I could have done it. This he could have  
2 done, because it's online.

3 Q. Okay.

4 MR. HERBERT: Your Honor, just for the record  
5 I note that these are certified copies of records from  
6 the Wyoming Secretary of State.

7 THE COURT: Well they are what they are.

8 MR. HERBERT: Yes, sir.

9 All right, could we go to Exhibit 134, please.

10 (On screen.)

11 A. This is Nevada, not Wyoming.

12 Q. Oh, Nevada. I'm sorry. Oh, yes.

13 Do you recognize what's in 134?

14 A. This is a brokerage statement for Esthetics World.

15 Q. All right.

16 MR. HERBERT: And if we could just go to Page  
17 47 of this, please.

18 (On screen.)

19 Q. Okay. Do you see what statement period this relates  
20 to?

21 A. August of 2012.

22 Q. Okay.

23 MR. HERBERT: And Page 38, please.

24 (On screen.)

25 Q. What period was this?

1 A. September of 2012.

2 MR. HERBERT: And Page 31, please.

3 (On screen.)

4 Q. And this?

5 A. October of 2012.

6 Q. Okay.

7 MR. HERBERT: And Page 22, please.

8 (On screen.)

9 A. November of 2012.

10 Q. Okay.

11 MR. HERBERT: Page 10.

12 (On screen.)

13 A. December of 2012.

14 Q. Okay. All right. What if any involvement did you  
15 have with respect to these brokerage statements from  
16 Esthetics World?

17 A. I would receive them via mail and file them in the  
18 hardcopy.

19 Q. Okay.

20 MR. HERBERT: Could we go to Page 40 of this  
21 exhibit, please.

22 (On screen.)

23 Q. Do you see under "Portfolio Summary," um, an  
24 indication "Shares held by Crown Marketing, 40,000  
25 shares, and Greenway Technology, 1 million shares" --

1 or, I'm sorry, "992,000 shares"?

2 A. Yes.

3 Q. Okay. And what was your understanding as to what  
4 that reflected?

5 A. Um, it means Esthetics World owned those shares and  
6 had deposited them in the brokerage account.

7 Q. Okay.

8 MR. HERBERT: And if we could go to Page 41.

9 (On screen.)

10 Q. Do you see under "Buy/sell transactions," um, shares  
11 of Greenway Technology that were sold out of that  
12 account on September 12th of 2012?

13 A. Yes.

14 Q. Do you have any knowledge as to who made the trading  
15 decisions for this account?

16 A. Jehu.

17 Q. Okay. And what would happen to the proceeds of  
18 sales of stock like that out of an account like this?

19 A. We would request a wire and it would be, um,  
20 deposited into the Bank of America, Esthetics World  
21 account.

22 Q. Okay.

23 MR. HERBERT: Could we go to Page 33, please.

24 (On screen.)

25 Q. And how many shares of Crown Marketing are indicated



1 in the account as of this date?

2 A. 379,300.

3 Q. Okay. And this was the statement for October of  
4 2012, is that right?

5 A. Yes.

6 Q. Okay.

7 MR. HERBERT: On Page 34.

8 (On screen.)

9 Q. Do you see any indication of sales of Crown stock on  
10 October --

11 A. 16,000.

12 Q. Okay. And just the rest of the question was October  
13 31st of 2012?

14 A. Okay.

15 Q. Would those proceeds have been handled in the same  
16 way?

17 A. Yes.

18 Q. Okay.

19 MR. HERBERT: And could we go to Page 24,  
20 please.

21 (On screen.)

22 Q. All right. Do you see more sales of Crown stock in  
23 November of 2012?

24 A. Yes.

25 MR. HERBERT: And on Page 25.

1 (On screen.)

2 Q. Do you see more sales of Greenway Technology between  
3 November 26th and November 30th?

4 A. Yes.

5 MR. HERBERT: Could we go to Page 12, please.

6 (On screen.)

7 Q. Under the "Portfolio Summary" for December of 2012,  
8 do you see any shares of Greenway Technology remaining  
9 in that account?

10 A. No, I don't.

11 Q. Okay.

12 MR. HERBERT: Could we go to Page 13.

13 (On screen.)

14 Q. Did you see more sales of Greenway Technology in  
15 December?

16 A. Yes.

17 MR. HERBERT: And could we go to Page 14.

18 (On screen.)

19 Q. And more sales of Greenway Technology?

20 A. Yes.

21 Q. Okay.

22 MR. HERBERT: And if we could back out of that  
23 and just on that same page, 14.

24 (On screen.)

25 Q. Do you see an indication of a wire transfer below

1 the sales of Greenway Technology?

2 A. Yes.

3 Q. Do you know what it means when that amount is under  
4 debit instead of credit?

5 A. It's being deducted from the account.

6 Q. Okay, so that's a wire transfer out of the account?

7 A. Correct.

8 Q. All right. What if any involvement did you have  
9 with respect to wire transfers out of these accounts?

10 A. Um, I probably requested it.

11 Q. Okay. On whose instructions?

12 A. Jehu.

13 Q. Do you know where the money went?

14 A. Bank of America, the Esthetics World account.

15 Q. Okay.

16 MR. HERBERT: On Page 15 of this document.

17 (On screen.)

18 Q. Do you see an indication of a wire transfer of  
19 \$14,200?

20 A. Yes.

21 Q. Okay. All right.

22 MR. HERBERT: Could we go to Page 3 then,  
23 please.

24 (On screen.)

25 Q. All right. For "January," do you see, under

1 "Portfolio Summary," that the Crown shares are down to  
2 20,000?

3 A. Yup.

4 Q. And below that, under "Account Activity," do you see  
5 indications of sales or Crown stock in January?

6 A. Yes.

7 MR. HERBERT: And could we go to Page 4.

8 (On screen.)

9 Q. Do you see under "Funds Paid and Received" --

10 A. Yes.

11 Q. -- an indication of two wire transfers out of that  
12 account in the amounts of \$4,100 and \$74,000?

13 A. Yes.

14 Q. Do you know where those were wired to?

15 A. The Bank of America account.

16 Q. Okay.

17 MR. HERBERT: Could we go to Exhibit 135,  
18 please.

19 (On screen.)

20 Q. Do you recognize that?

21 A. It looks like, um, username, password, you know  
22 information, um, details for the, um, Merrimack account.

23 Q. Okay. And do you know which Merrimack account this  
24 was for?

25 A. I don't. Although seeing "Barraquilla," I would

1 think, um -- I would think Bioclean. But I don't know.

2 Q. Okay. And why do you associate "Barraquilla" with  
3 Bioclean?

4 A. I associate Doris with "Barraquilla."

5 Q. That's "Doris," the "Doris" you mentioned before?

6 A. Yeah.

7 Q. Okay. What if any use did you make of this  
8 information?

9 A. None.

10 Q. None. And do you know who did use this information  
11 to log into the Esthetics World account at Merrimack?

12 A. No.

13 Q. Okay. Who else worked at the firm besides you?

14 A. Just Jehu.

15 Q. Okay.

16 MR. HERBERT: Could we go to Exhibit 136,  
17 please.

18 (On screen.)

19 Q. And what is this?

20 A. This is a bank statement from Esthetics World, Bank  
21 of America.

22 Q. Bank of America. And was your involvement with  
23 these bank records the same as with the others?

24 A. Yes.

25 Q. Okay.

1 MR. HERBERT: Page 1.

2 (On screen.)

3 Q. On Page 1, whose address is that for Esthetics  
4 World?

5 A. That's my home address.

6 Q. In the bottom of the page, which period is this for?

7 A. January of 2013.

8 Q. Okay. And to the right do you see the beginning  
9 balance and the amount of deposits into that account?

10 A. Yes.

11 Q. All right.

12 MR. HERBERT: Can you just blow that up, the  
13 beginning balance, and then 1,149, and then the deposits  
14 into the account of 78,100.

15 (Enlarged.)

16 A. Yes.

17 Q. All right.

18 MR. HERBERT: Go to Page 2, please.

19 (On screen.)

20 Q. Okay. Do you see an indication of two deposits into  
21 that account by wire transfer --

22 A. Yes.

23 Q. -- of \$4,100 and \$74,000?

24 A. Yes.

25 Q. How if at all did those amounts relate to the last

1 wire transfers we saw at the Merrimack brokerage  
2 accounts?

3 A. They're the same amounts.

4 Q. Okay.

5 MR. HERBERT: Can we go to Page 2, please.

6 (On screen.)

7 Q. Do you see on this page, do you see a series of  
8 withdrawals from that account by teller/cash withdrawal  
9 and transfer to check?

10 A. Yes.

11 Q. Do you know who made those withdrawals?

12 A. Me.

13 Q. All right. On whose instructions?

14 A. Jehu.

15 MR. HERBERT: Can we go to Page 5.

16 (On screen.)

17 Q. At the bottom of the page, what period is this for?

18 A. February of 2013.

19 Q. Okay. And the beginning balance was \$63,569?

20 A. Yes.

21 Q. And what was the amount of the debit withdrawals  
22 from that account in February?

23 A. 62399.

24 Q. Okay.

25 MR. HERBERT: Could we go to Page 6, please.

1 (On screen.)

2 Q. Okay. Do you see here another series of cash  
3 withdrawals and transfers of checks?

4 A. Yes.

5 Q. And what if any involvement did you have with those  
6 transactions?

7 A. I would have done them.

8 Q. Okay. On whose instructions?

9 A. Jehu.

10 MR. HERBERT: Could we go to Exhibit 137,  
11 please.

12 (On screen.)

13 Q. All right. Do you recognize what's on Exhibit 137?

14 A. This is a, um, Quicken-generated register.

15 Q. Okay. And from where?

16 A. From the Esthetics BVA account.

17 Q. All right. And what involvement did you have in  
18 creating this check register?

19 A. Well I kept the records of each of these companies  
20 in the Quicken system. I could have produced this  
21 register, but Jehu could have also produced it. I don't  
22 know.

23 Q. Okay.

24 MR. HERBERT: Could we just blow up the text  
25 of this, see if we can make this a little bit bigger.



1 (Enlarged.)

2 Q. Could you just go and walk us through and explain  
3 each of those entries starting with the wire transfer in  
4 of \$74,000?

5 A. Yeah, so that first would be a wire in from the  
6 brokerage account and the wire fee. Then the \$1,000  
7 cash? I don't know what that second wire fee would be,  
8 but would be probably for the \$4100.

9 Q. Let me just stop you there. The \$1,000 cash was a  
10 withdrawal?

11 A. Yes, it produces a cash withdrawal.

12 Q. Okay.

13 A. There's no indication of where it went, so I'm not  
14 sure.

15 Q. Okay.

16 A. "PR Newswire" is a news release firm.

17 Q. Okay.

18 A. The transfer to Jackson would have been a cash  
19 transfer at the counter. Same with the Cozumel.

20 Q. And, I'm sorry, let me just stop you. What is  
21 "Jackson Corporate Consultants"?

22 A. It was another account we had, um, a bank account.

23 Q. Okay.

24 A. "Cozumel" is the same, another bank account.

25 Q. Okay.

1 A. The withdrawal of cash was a Western Union to Igor  
2 Produn.

3 Q. Okay.

4 A. The bank service charge. The "Wyoming Corporation"  
5 would be an incorporation charge for Blue Star -- I  
6 think it was "Blue Star Technologies."

7 Q. Uh-huh.

8 A. "Loan Coyote" is a company controlled by Adam Hand.

9 Q. Okay.

10 A. And they had an account at Bank of America, so it  
11 would have been a cash transfer.

12 Q. Okay.

13 A. Or, no, that's a check. It was a check. So  
14 I probably deposited it. No, I'd probably give it to  
15 Adam for deposit. Then two checks to Adam. Um, a check  
16 to John Dale, which was the -- his daughter is Victoria,  
17 so he was paying her rent.

18 Q. John Dale was Jehu's landlord?

19 A. No, Victoria's. His daughter's.

20 Q. His daughter's landlord?

21 A. Yes.

22 Q. Okay.

23 A. A stock transfer would have probably been a transfer  
24 of shares. The transfer to Bioclean would have been a  
25 counter transfer, um, in cash.

1 Q. Into the Bioclean?

2 A. Into the Bioclean.

3 Q. Okay.

4 A. Um, a withdrawal -- so all that in Katerina, those  
5 would have been Western Unions.

6 Q. Uh-huh.

7 A. A withdrawal for cash was myself.

8 Q. Uh-huh.

9 A. A check to Victoria, um, probably for school,  
10 because that's his daughter. And again a stock  
11 transfer. And then Carlos Duque.

12 Q. Okay. Now just go back on those companies.

13 "Jackson Corporate Consultants," what connection  
14 did that company have to the defendant?

15 A. He controlled it.

16 Q. Okay. And what about "Cozumel"?

17 A. The same, he controlled it.

18 Q. Do you know the full name of "Cozumel"?

19 A. "Cozumel Yacht Brokers."

20 Q. All right.

21 MR. HERBERT: Could we go to Exhibit 138,  
22 please.

23 (On screen.)

24 Q. Do you recognize this document?

25 A. Yeah, this is my writing.

1 Q. And what's it?

2 A. It's a breakdown of the funds from the Esthetics  
3 World sale and where all that money was supposed to go.

4 Q. Okay. And where did you get the information that  
5 you put into these notes?

6 A. Jehu.

7 Q. Okay.

8 MR. HERBERT: Are you able to show this  
9 document on the left of the screen and Exhibit 137 on  
10 the right?

11 (On screen.)

12 Q. All right. Can you just take us through your notes,  
13 um, in Exhibit 138 and explain how if at all they relate  
14 to what we just saw in Exhibit 137?

15 A. Um, so the 74 is the deposit, it's the wire fee.

16 Q. Uh-huh.

17 A. Are you matching them right now? Okay. So that's  
18 the deposit. The next one is the wire fee.

19 Q. Okay.

20 A. The 1784 is PR Newswire.

21 Q. Okay.

22 A. The 20,500 was, um, attributed to Jehu, but it  
23 doesn't go anywhere yet.

24 Q. What do you mean it's attributable to Jehu?

25 A. Like if I was making columns, that would stay in

1     Jehu's column, and then it would be disbursed upon his  
2     instructions.

3     Q.   Okay.

4     A.   For now we were dealing with a balance of 51704, so  
5     425 goes to Ross to incorporate, it looks like, Blue  
6     Star.

7     Q.   Okay.

8     A.   20,500 went to Loan Coyote.  2 to Adam Hand of  
9     10-2-15.  And then the remaining was to be held for  
10    Jeremiah's benefit, with instructions to come later.

11    Q.   Okay.  And who is "Jeremiah"?

12    A.   Jeremiah Hand.  To his brother.

13    Q.   Okay.  All right.

14                   MR. HERBERT:  Could we go to Exhibit 139,  
15    please.

16                   (On screen.)

17    Q.   Do you recognize this?

18    A.   Esthetics World's bank statement for December of  
19    2012.

20    Q.   Okay.  And how much did it receive in deposits and  
21    credits that month?

22    A.   30,700.

23    Q.   And how much were the withdrawals and the debits?

24    A.   31695.

25    Q.   Okay.

1 MR. HERBERT: Could we go to Page 2, please.

2 (On screen.)

3 Q. Do you see two deposits in that page from wire  
4 transfers of \$16,500 and \$14,200?

5 A. Yes.

6 Q. Do you know what the source of those wires was?

7 A. I'm assuming the sale of stock from their brokerage  
8 account.

9 Q. Okay.

10 MR. HERBERT: Could we go back to Exhibit 134,  
11 Page 13, please.

12 (On screen.)

13 Q. You testified this was the Merrimack statement  
14 showing sales of Greenway Technology in December,  
15 correct?

16 A. Yes.

17 MR. HERBERT: And on Page 14.

18 (On screen.)

19 Q. It's showing more sales of Greenway Technology and a  
20 wire transfer out of \$16,500 on 12-7-12, correct?

21 A. Yes.

22 MR. HERBERT: And on Page 15.

23 (On screen.)

24 Q. Another wire out, 14,200, on 12-24-12, is that  
25 correct?

1 A. Yes, those match.

2 Q. Okay.

3 MR. HERBERT: And can we go back to Exhibit  
4 139, Page 2.

5 (On screen.)

6 Q. Do you see a series of cash withdrawals and other  
7 debits?

8 A. Yes.

9 Q. Do you know who made those withdrawals?

10 A. Me.

11 Q. Okay. By the way, when you would make a cash  
12 withdrawal from the bank account, what would you do with  
13 the cash?

14 A. It depends upon his instructions. So sometimes I  
15 would just transfer it to one of the other accounts,  
16 sometimes I'd give them cash.

17 Q. Okay, give who cash?

18 A. Actually I don't know that I ever gave Jehu cash. I  
19 oftentimes gave Adam cash, but I don't think I ever gave  
20 Jehu cash. It always went to another account.

21 Q. Okay. What type of account?

22 A. A bank account that we had.

23 Q. Okay.

24 MR. HERBERT: And could we go to Exhibit 140,  
25 please.

1 (On screen.)

2 Q. All right. Do you recognize this?

3 A. It's a bank statement for Cozumel Yacht Brokers.

4 Q. Okay. And you testified that Cozumel Yacht Brokers  
5 was another of the defendant's companies?

6 A. Yes.

7 Q. And again is that your home address for Cozumel  
8 Yacht Brokers?

9 A. Yes.

10 Q. And in the top right, what was the period for this  
11 statement?

12 A. That is January 2010.

13 Q. Okay. And under "Deposits and Credits"?

14 A. \$3500.

15 Q. Okay. Do you see, um -- actually, I'm sorry.

16 MR. HERBERT: Can we go to Page 101, we can do  
17 that.

18 (On screen.)

19 Q. All right. Sorry, what was the period for this  
20 statement on Page 101?

21 A. Sorry, December 2012.

22 Q. Okay. And under "Deposits and Credits" on this, do  
23 you see a deposit of \$1700?

24 A. Yes.

25 Q. Okay, on 12-28-2012?



1 A. Uh-huh.

2 Q. Do you know what the source of that deposit was?

3 A. No.

4 Q. Okay.

5 MR. HERBERT: Can we go back to Exhibit 139,  
6 Page 2.

7 (On screen.)

8 Q. All right. Do you see a transfer out of the  
9 Esthetics World account in that amount on 12-28?

10 A. Yes, and on this statement I can see that it went to  
11 Cozumel because that was the -- that's the numbers of  
12 Cozumel's bank account, "2113."

13 Q. Okay. And, um --

14 MR. HERBERT: Back on Exhibit 40, Page 101.

15 (On screen.)

16 Q. The same number? Do you see that?

17 A. Yes.

18 Q. Okay.

19 MR. HERBERT: Could we go to Exhibit 141,  
20 please.

21 (On screen.)

22 Q. Okay. Do you recognize this?

23 A. Um, the Bank of America statement for MX Mining.

24 Q. Who's "MX Mining"?

25 A. A company of Jehu's.

1 Q. And the address was your address?

2 A. My home address.

3 Q. Okay. Who created this account?

4 A. I did.

5 Q. Okay. Bottom of Page 1, what was the period for  
6 this statement?

7 A. December of 2012.

8 Q. And on Page 2, do you see a series of deposits into  
9 that account?

10 A. Yes.

11 Q. And do you know where these came from?

12 A. No.

13 Q. Okay. Do you see a deposit of \$19,471 on 12-28?

14 A. Yes.

15 MR. HERBERT: Could we go back to Exhibit 139,  
16 the bank statements from Esthetics World.

17 (On screen.)

18 MR. HERBERT: Could you go to Page 2.

19 (On screen.)

20 Q. Do you see a debit of that same amount on 12-28?

21 A. Yes, sir.

22 Q. Okay. And what involvement, if any, did you have in  
23 making those transfers?

24 A. Yes, I would have done them.

25 Q. Okay.

1 MR. HERBERT: All right. We can take off this  
2 document.

3 (Takes off screen.)

4 Q. Now, Ms. Peterson, as the assistant to the  
5 defendant, how did you maintain hardcopy records for the  
6 companies, um, that you and the defendant were working  
7 on?

8 A. We kept two copies of everything, one within the  
9 client file, and one chronologically.

10 Q. Okay. And where actually were the company files  
11 kept?

12 A. Onsite until the cabinets were too full and then  
13 they were sent out to storage.

14 Q. Okay. And what if anything changed when the  
15 defendant moved to Antigua and you were working from  
16 home?

17 A. At that point everything was sent to outside storage  
18 except for banking and brokerage, I kept on hand.

19 Q. Okay. And how did you maintain electronic records  
20 for these companies?

21 A. Um, within the system, um, it went under their claim  
22 folder.

23 Q. Okay.

24 A. We had a folder for each client.

25 Q. Okay. My question is, I guess, is did you keep

1 electronic records with respect to these companies?

2 A. Yes, as much as we had them. Yes.

3 Q. Okay. And who had access to that drive that you  
4 kept those records on?

5 A. Jehu and myself.

6 Q. Okay. And what was saved on that hard drive?

7 A. Everything related to the clients.

8 Q. Okay. And does -- so would that include everything  
9 that you produced in electronic form?

10 A. Yes.

11 Q. And what about anything you received electronically?

12 A. Yes, if we received it electronically. Yes.

13 Q. All right. And how were those electronic files  
14 organized?

15 A. By client and also chronologically.

16 Q. And by "client," you mean by the company names?

17 A. Yes. Yes.

18 Q. And, um -- so, um, that was true with respect to the  
19 hardcopies as well?

20 A. Yes.

21 Q. Okay. And what if the paperwork related to more  
22 than one company, what would you would do?

23 A. I did my best to determine which one it went for,  
24 but if it wasn't clear, I would put it in both files.

25 Q. Okay. All right.

1           What if anything changed with respect to the  
2       electronic files that you had when the defendant moved  
3       to Antigua?

4       A.   Um, until that point we had a physical hard drive  
5       where everything routed to, and once he left the country  
6       it went to an online storage, um, Dropbox.

7       Q.   Okay, Dropbox.   Who created the Dropbox account?

8       A.   Jehu.

9       Q.   And was there a login name for that Dropbox account?

10      A.   Yes.

11      Q.   Do you recall what that was?

12      A.   I think it was "Jehu Hand."   I don't recall.

13      Q.   Okay.   Was there more than one login name?

14      A.   No.

15      Q.   Okay.   And was there a password?

16      A.   Yes.

17      Q.   Okay.   And to your knowledge who had access to that  
18      account?

19      A.   Jehu and myself.

20      Q.   Did you ever pass that login information to anyone  
21      else?

22      A.   No.

23      Q.   To your knowledge did the defendant?

24      A.   No.

25      Q.   And about when was that Dropbox account created?

1 A. Sometime before he left in July of 2012.

2 Q. Okay. And what happened to all the documents from  
3 the server?

4 A. I don't know, they're not there.

5 Q. Well when -- when the Dropbox account was created,  
6 what happened to the documents that were on your shared  
7 drive?

8 A. They were copied over.

9 Q. To the Dropbox?

10 A. Right, so we had two versions of it, I guess.

11 Q. Okay. Did you participate in that or just him?

12 A. No, he would have done that.

13 Q. Okay. All right.

14 After the Dropbox account was created in 2012, did  
15 you have occasion to log into that Dropbox account  
16 between 2012 and 2015?

17 A. Yes, often.

18 Q. Okay. And between 2012 and 2015, did you notice any  
19 files missing from what you had on the server?

20 A. Um, yes.

21 Q. Well between 2012 and 2015, did you notice any  
22 differences between your previous shared drive records  
23 and what was on the --

24 A. Oh, no, they were identical.

25 Q. Okay. Were there subfolders within the company

1 folders?

2 A. Yes.

3 Q. Okay. And how were those organized?

4 A. Um, the same as before, each company had its own  
5 directory and within them they would have letters or  
6 correspondence or S-1s, or 10Qs.

7 Q. All right. And roughly how many company folders  
8 were there in the Dropbox account?

9 A. Hundreds, if not thousands.

10 Q. Okay. Do you know whether anyone other than you and  
11 the defendant ever accessed the Dropbox account?

12 A. I don't believe so. Well for a time his daughter  
13 was working with us and she would have had access.

14 Q. Okay.

15 A. But, no, it was just Jehu and I.

16 Q. Okay. What was his daughter doing?

17 A. Olivia? Just secretarial work. An assistant.

18 Q. How old was she?

19 A. Um, like 18ish.

20 Q. Okay. Did she have any substantive involvement with  
21 those companies?

22 A. No. No.

23 Q. At some point did you find out the defendant had  
24 been arrested?

25 A. Yes.

1 Q. How did you, um -- well, strike that. About when  
2 did you find that out?

3 A. October or November of 2015.

4 Q. And how did you find that out?

5 A. A phone call from Jehu.

6 Q. Okay. And what did he say on that call?

7 A. That he had been arrested at customs and he gave me  
8 some tasks to, you know, take care of immediately.

9 Q. Okay. What tasks did he give you, if you recall?

10 A. I only recall that he asked me to contact his  
11 daughter and his wife and that he would be in contact  
12 with me.

13 Q. Okay. After this were you served with a grand jury  
14 subpoena?

15 A. Yes.

16 Q. Where was that?

17 A. At my home.

18 Q. And by whom were you served with that subpoena?

19 A. Um, two FBI agents.

20 Q. Okay. And then just "Yes" or "No," did you have a  
21 conversation with the agents?

22 A. Yes.

23 Q. All right.

24 MR. HERBERT: Could we have Exhibit 142,  
25 please.



1 (On screen.)

2 Q. Do you recognize that document?

3 A. Yes, that was the subpoena.

4 Q. Is that the grand jury subpoena you were served  
5 with?

6 A. Yes.

7 Q. Are you able to recall the date that the agents came  
8 to your house to serve that subpoena?

9 A. No.

10 Q. Okay. What if any travel did you have after  
11 receiving the call that the defendant had been arrested,  
12 um, and before this date?

13 THE COURT: I don't -- ask the question again?

14 MR. HERBERT: I'll rephrase it.

15 Q. What if any travel did you have, um, soon after  
16 receiving the call that the defendant had been arrested?

17 A. I went to Antigua.

18 Q. For what purpose?

19 A. To pick up his daughter.

20 Q. All right. And when in relation to the defendant's  
21 arrest did you make that trip?

22 A. Um, within the week, I think.

23 Q. Okay. And about how long did that trip last?

24 A. A day or two. It was quick.

25 Q. All right. What did you do immediately after

1 receiving the subpoena from the FBI agents?

2 A. I called Jehu.

3 Q. Okay. And, um, what did you say?

4 A. That I just had two FBI agents at my door and, um,  
5 "What am I supposed to do?"

6 Q. Okay. Did you tell him anything about what the FBI  
7 agents were at your house for?

8 A. No.

9 Q. Did he ask?

10 A. No.

11 Q. Um, what was your purpose in calling him?

12 A. "Why are they here? What am I supposed to do?"

13 Q. Okay. And what was his response?

14 A. He advised me to get an attorney.

15 Q. Okay. And did he advise you of anything else?

16 A. Not that I recall.

17 Q. Okay. Do you recall him advising you to comply with  
18 the subpoena?

19 A. Oh, yeah, yes, he did say, um, "To do as  
20 instructed."

21 Q. Okay. What if anything were you able to observe  
22 about his tone on the phone?

23 A. It was the same as always.

24 Q. Okay. I'm directing your attention to March of  
25 2016. What if any travel plans did you make?

1 A. Um, I arranged to come here.

2 Q. And by "come here," what did you mean?

3 A. I was directed to meet with agents here.

4 Q. Okay. By whom were you directed to do that?

5 A. Well, by subpoena.

6 Q. All right. Do you recall specifically whether that  
7 was a meeting to testify in response to the subpoena or  
8 having a separate meeting with --

9 A. I think it was a separate meeting.

10 Q. Okay. And, um, what was the purpose of that  
11 separate meeting supposed to be, as you understood it?

12 A. I guess to find out what I know.

13 Q. Okay. Um, when were you first notified that  
14 prosecutors would like to meet with you?

15 A. (Pause.) I think it was February or March --  
16 February maybe.

17 MR. HERBERT: Could we just have Exhibit EN  
18 for the witness.

19 (On witness screen.)

20 Q. All right. Can you take a look at the, um, the  
21 portion of that page that begins sort of in the middle  
22 down, um, and just read that to yourself.

23 A. (Reads.) Okay. I recognize it.

24 Q. Okay. Does that refresh your memory as to when you  
25 were first notified that the prosecutors would like to

1 meet with you?

2 A. Yup, March 2nd.

3 Q. Of what year?

4 A. Of 2016.

5 Q. Okay. And what if any arrangements did you make  
6 after March 2nd, 2016 to come to Boston to meet with the  
7 prosecutors?

8 A. Um, well I didn't make them, they were made for me.

9 Q. Okay. And were you privy to those plans?

10 A. Yeah, they asked for availability.

11 Q. Okay. And are you able to recall exactly when those  
12 started, when those plans started?

13 A. March 2nd or 3rd.

14 Q. Okay.

15 MR. HERBERT: Could we just have Exhibit EO  
16 for the witness. (On screen.) Could we go to Page 8 of  
17 this. (On screen.) Okay.

18 Q. And taking a look at that, does that refresh your  
19 memory at all as to exactly when you and your attorney  
20 started making plans to come to Boston?

21 A. Yeah, March 2nd and 3rd.

22 Q. Okay. And what was the date or dates that were  
23 being mapped out for your meeting in Boston?

24 A. January -- sorry, the 15th and 16th.

25 Q. Of what month?

1 A. Of March.

2 Q. Okay. Now at this point had you remained in  
3 communication with the defendant?

4 A. Um, yeah, I was still doing a couple of things for  
5 him.

6 Q. Okay, and why were you still in communication with  
7 him?

8 A. I was still taking care of some banking and menial  
9 things, um, I still had all the office stuff at my  
10 house.

11 Q. Uh-huh.

12 A. Just -- um, nothing of substance, just taking care  
13 of loose ends.

14 Q. All right. And when you say "banking stuff," what  
15 are you talking about?

16 A. All the accounts that were open, I was the only  
17 person on the accounts, so I had to close the account  
18 for him, pack everything up, ship it off.

19 Q. Okay. Did you do anything with respect to money  
20 from those accounts around this time?

21 A. I don't recall. There really wasn't anything in  
22 there, so it would be menial.

23 Q. Okay. Do you recall whether or not you told the  
24 defendant, in any of those communications, that you had  
25 plans to go to Boston and meet with prosecutors?

1 A. I don't recall.

2 Q. Okay.

3 MR. HERBERT: Could we go to Exhibit 143,  
4 please.

5 (On screen.)

6 Q. All right. Do you recognize what these are?

7 A. That's the T-Mobile phone record.

8 Q. Okay. And what was your work phone number in March  
9 of 2016?

10 A. Um, 949-331-2909.

11 Q. Okay.

12 MR. HERBERT: Is this exhibit coming up for  
13 others?

14 THE WITNESS: I see it.

15 MR. HERBERT: Yeah, you see it, but it's not  
16 coming up for the jurors? Yes, for the jurors. Yes.  
17 It's 143.

18 (On screen.)

19 MR. HERBERT: Okay.

20 Q. So -- I'm sorry, what was your phone number again,  
21 your work phone?

22 A. The 3312109.

23 Q. Okay. Do you recognize the number 714-293-9080?

24 A. That's my personal cell.

25 Q. Okay.

1 MR. HERBERT: Could we go to Page 18, please.

2 (On screen.)

3 Q. All right. Do you see a call on March 3rd, 2016 at  
4 16:18 UTC?

5 A. (Looks.) Okay.

6 Q. All right. And if I were to tell you that UTC is 7  
7 hours ahead of Pacific Standard Time, what time would  
8 that be?

9 A. 9:18.

10 Q. Okay. Do you see that call outgoing to  
11 626-464-4313?

12 A. Uh-huh. Yes.

13 Q. Okay. Do you know whose number that was?

14 A. Well I think because -- because you discussed this  
15 before, it's one of Jehu's numbers.

16 Q. How were you able to determine that?

17 A. I looked in my phone.

18 Q. Okay, and what was the designation in your phone for  
19 that number?

20 A. "Jehu NC," meaning North Carolina.

21 Q. Okay. And where was he in March of 2016?

22 A. In North Carolina.

23 Q. Okay. And how long did that call last?

24 A. Um, 114 seconds.

25 Q. Okay. Do you know why you called the defendant that

1 morning?

2 A. No.

3 Q. Okay. Then at 16:25 UTC, there's an incoming call  
4 from the defendant's number, do you see that?

5 A. Yes.

6 Q. Do you recall what you discussed with the defendant  
7 in those two calls?

8 A. No.

9 Q. Okay. What if any practice did you have at the time  
10 about informing the defendant when you would be out of  
11 town?

12 A. Yes, I would tell him when I was unavailable.

13 Q. Okay. Did you tell him in advance when you expected  
14 to be unavailable?

15 A. Um, within days.

16 Q. Okay. And what was the purpose of that?

17 A. Because I wasn't available to him.

18 Q. Okay.

19 MR. HERBERT: And could we go to Exhibit 143,  
20 Page 19.

21 (On screen.)

22 Q. All right. Do you see an incoming call from the  
23 defendant's number at what would be 10:32 a.m., um, so  
24 17:32 a.m. UTC, um, on March 4th, 2016, for 80 seconds?

25 A. Okay, yes.



1 Q. Do you recall what you discussed with him in that  
2 call?

3 A. No.

4 Q. Okay. Do you have any recollection of ever  
5 discussing with the defendant the deletion of files from  
6 the Dropbox account?

7 A. No.

8 Q. Between the time that you were served with the grand  
9 jury subpoena, in early March of 2016, did you have  
10 occasion to log into the Dropbox account?

11 A. Yes.

12 Q. And what if anything did you see?

13 A. Well I don't know at what point it happened, but one  
14 time when I logged in it was just gone, all the files  
15 were gone.

16 Q. And prior to that?

17 A. They had all been there, um, unchanged.

18 Q. All right. And when in relation to the March 6th --  
19 the March 2016 meeting in Boston did you notice this?

20 A. Just before, um, within a week maybe.

21 Q. Okay. And, um, did you in fact have a meeting with  
22 prosecutors in March of 2016?

23 A. Yeah. Yes.

24 Q. Okay. Did you tell anyone about what you had  
25 noticed about the files disappearing?

1 A. Yes.

2 Q. Who did you tell?

3 A. Um, I told my attorney.

4 Q. Okay.

5 A. And then I think I discussed it with the agents. I  
6 don't recall.

7 Q. Okay. As you sit here today, do you have a memory  
8 of disclosing to the government that you had noticed  
9 these files were missing?

10 A. I think I did.

11 Q. Um, do you know how those files disappeared?

12 A. No.

13 Q. Did you delete any of those files from the Dropbox  
14 account?

15 A. No.

16 Q. Do you have any information as to who deleted them?

17 A. No.

18 Q. Was there previously -- and I say previously when  
19 you had logged in and noticed the files were there, was  
20 there previously a folder in Dropbox for Able Direct  
21 Marketing?

22 A. Yes.

23 Q. Do you recall what that electronic folder was  
24 called?

25 A. I think it was just "Able."

1 Q. Okay. Is it possible it was "Able Direct  
2 Marketing"?

3 A. Of course it's possible, but I think it was just  
4 "Able."

5 Q. And when you checked most recently, was there still  
6 a file for Able Direct Marketing?

7 A. No.

8 Q. Was there previously a folder for Annahuac  
9 Management?

10 A. Yes.

11 Q. And do you recall what that folder was called?

12 A. It was "Annahuac MGMT," I think.

13 Q. Okay. And when you checked most recently, was there  
14 still a folder for Annahuac?

15 A. No.

16 Q. Was there previously a folder for Bioclean Products?

17 A. Yes.

18 Q. And do you remember what that was called?

19 A. "Bioclean."

20 Q. And when you checked most recently, did you see a  
21 Bioclean folder?

22 A. No.

23 Q. Was there previously a folder for Coolserve?

24 A. Yes.

25 Q. Do you remember what you called that one?

1 A. "Coolserve."

2 Q. Is it possible you called it just "Cool"?

3 A. Yes, it's possible.

4 Q. Okay. When you checked most recently, was there a  
5 Coolserve folder?

6 A. No.

7 Q. Was there previously a folder for Esthetics World?

8 A. Yes.

9 Q. Okay. Do you remember what -- did you have a short,  
10 um, name for it?

11 A. "E-World."

12 Q. "E-World." Okay. And when you checked most  
13 recently, was there still a folder for E-World?

14 A. No.

15 Q. Okay. And was there previously a folder for Crown  
16 Marketing?

17 A. Yes.

18 Q. And when you checked most recently, was there still  
19 a folder for Crown Marketing?

20 A. No.

21 Q. Okay. Do you recall offhand whether you had a  
22 separate folder for Greenway Technology or whether that  
23 was part of another folder?

24 A. I believe that was part of another folder.

25 Q. Are you familiar with something called "Target

1 Views"?

2 A. Yes.

3 Q. Okay. And what if anything did the Greenway  
4 Technology files have to do with Target Views?

5 A. I don't know.

6 Q. Okay. And when you checked most recently, was there  
7 anything for Greenway Technology in this file?

8 A. No.

9 Q. Was there previously a folder for Green 4 Green?

10 A. Yes.

11 Q. And when you checked most recently?

12 A. No.

13 Q. Was there previously a folder for Sheridan Clearing?

14 A. Yes.

15 Q. And when you checked most recently?

16 A. No.

17 Q. Okay.

18 MR. HERBERT: Could we just have one moment,  
19 um, I'm nearly finished, but we just need to pull up a  
20 document separately. I just want you to take a look at  
21 what's been marked as Exhibit HQ for identification.

22 THE COURT: And, Mr. Herbert, you have in mind  
23 our discussion during the break.

24 HQ?

25 MR. HERBERT: Yes, your Honor.

1 (On screen.)

2 Q. All right. Ms. Peterson, could you just take a look  
3 at this spreadsheet that's in front of you.

4 A. Uh-huh.

5 Q. And tell me if you recognize the file structure of  
6 the files listed in this spreadsheet?

7 A. Yes, starting from the client name.

8 Q. Uh-huh.

9 A. Like on Row 33, "Shika," our file would start with  
10 Shika. And then Form 10 would be another folder.

11 Q. Okay. And what do you recognize that file structure  
12 to be?

13 A. That's how we organized our files.

14 Q. Okay. And what if any involvement did you have in  
15 creating the path names depicted in this spreadsheet?

16 A. Well they were kind of a uniform, so we would start  
17 with the client name and then if there wasn't a folder  
18 there that needed like letters, I created a letter.

19 THE COURT: When you say "We," to whom are you  
20 referring?

21 THE WITNESS: To "we," sorry, Jehu and myself.

22 Q. All right. Well who would decide what to call it in  
23 an electronic file in the folder?

24 A. Well I guess Jehu would have the original folders  
25 there and then the files would depend upon what, you

1 know, kind of file it was. So if one was 10Q, it would  
2 get a Form 10Q with the date.

3 Q. Okay. All right. And what if any relationship was  
4 there between, um, or is there between the path and file  
5 names you see in Exhibit HQ and the Dropbox files?

6 A. Well they're similar after the client. I mean they  
7 were still filed in the same way. So we would start  
8 with "Shika."

9 Q. Okay.

10 MR. HERBERT: Can I just have one moment, your  
11 Honor?

12 (Pause.)

13 Q. Now, Ms. Peterson, when you noticed the files  
14 missing from the Dropbox file, um, were literally all of  
15 the files gone or were any remaining?

16 A. There were some files there, maybe, um, 15 to 20 --  
17 well folders that I saw.

18 Q. Okay.

19 A. Where before there were hundreds.

20 Q. Okay. And do you know what the remaining folders  
21 related to?

22 A. I think they were just his personal stuff.

23 Q. Okay.

24 MR. HERBERT: No further questions for this  
25 witness.

1 THE COURT: Mr. Iredale, any questions for  
2 this witness?

3 MR. IREDALE: Yes, your Honor.

4 THE COURT: You may.

5

6 CROSS-EXAMINATION BY MR. IREDALE:

7 Q. Ms. Peterson, you have worked for Mr. Hand for about  
8 25 years?

9 A. Yes.

10 Q. I'd like to review, if I could, the time periods and  
11 some of the information that you shared with us.

12 MR. IREDALE: Could we show the witness  
13 Exhibit WR.

14 (On witness screen.)

15 Q. Is this a resume that you prepared for yourself?

16 A. Yes.

17 Q. And because you were preparing a resume, you were  
18 able to check the time periods to make sure they were  
19 accurate?

20 A. Yeah.

21 Q. And is everything on the resume true and correct?

22 A. It appears to be, yeah.

23 Q. All right.

24 MR. IREDALE: I move 616 into evidence, your  
25 Honor.



1 MR. HERBERT: No objection.

2 THE COURT: No objection. 616 is in evidence.

3 (Exhibit 616, marked.)

4 Q. Now let's talk, if we could, about where you first  
5 met Mr. Hand. It was at Day Campbell & Hand in Cosa  
6 Mesa?

7 A. It was called "Day & Associates," but it turned to  
8 "Day Campbell & Hand," yes.

9 Q. He was an associate when you first met him?

10 A. Yes.

11 Q. An "associate" means he was a lawyer who was not a  
12 partner in the firm that was doing work?

13 A. Yes.

14 Q. Now, in addition you've known Jehu and have  
15 interacted with him for some 25 years --

16 A. Yes.

17 Q. -- during the time you worked for him and with him?

18 A. Yes.

19 Q. And during that 25 years, have you ever had a normal  
20 conversation with him?

21 MR. HERBERT: Objection.

22 THE COURT: Well I'll sustain it only because  
23 I don't understand the question.

24 MR. IREDALE: Yes.

25 Q. Is it fair to say that Mr. Hand's style of

1 communication is unlike anyone else you've known?

2 A. Yes.

3 Q. Describe it to us?

4 A. Um, he's a man of very few words. He's, um -- he  
5 doesn't -- he has a tendency to give you straight facts  
6 and nothing else.

7 Q. Now you were asked a question about the tone of  
8 voice Mr. Hand had when you told him that you had been  
9 approached by FBI agents in December of 2015?

10 A. Okay.

11 Q. Do you recall that question?

12 A. Yes. Yes.

13 Q. And the prosecutor asked you, "Well, what was his  
14 tone of voice?"

15 A. Uh-huh.

16 Q. And your answer was it was the same as it always is?

17 A. Yeah, the same.

18 Q. Was that true?

19 A. Yeah.

20 Q. Have you ever heard Jehu raise his voice up in  
21 excitement or lower it in sadness?

22 A. In anger, um, maybe two or three times.

23 Q. In 25 years?

24 A. In 25 years.

25 Q. Have you seen him in social situations and the way

1 he relates generally to other people?

2 MR. HERBERT: Objection, your Honor.

3 THE COURT: Overruled. He may have a few  
4 questions.

5 MR. IREDALE: Thank you, your Honor.

6 A. Yes, on a few occasions.

7 Q. Did you tell these prosecutors that to your mind  
8 Jehu had Asperger's based on your personal observations  
9 of the way he relates to other people?

10 MR. HERBERT: Objection.

11 THE COURT: Well I'm going to sustain that.

12 MR. IREDALE: Well let me reframe it then,  
13 with the Court's permission.

14 Q. Would you describe Jehu in social situations and  
15 whether he is awkward or at ease?

16 A. Pick one of those two?

17 THE COURT: Well what's your description of  
18 his social interaction?

19 THE WITNESS: He's not social. He's very  
20 reserved.

21 Q. He's very reserved. A few words. Very reserved.

22 How about his work habits, could you describe  
23 them?

24 A. Um, he does nothing else but work.

25 Q. Now you've seen his brothers on occasion, Adam Hand,

1 I believe at one point in 2010 or 2011, at a small area  
2 in the office that he used?

3 A. Yes.

4 Q. And Jeremiah Hand, you've met him on occasion, I  
5 believe?

6 A. Yes.

7 Q. Is it -- well to your mind is Jehu close to his  
8 brothers?

9 A. For Jehu he's close.

10 Q. What do you mean by that?

11 A. I don't think that's a -- a normal person wouldn't  
12 think they're close.

13 Q. (Pause.) At one point Jehu worked for Laser Medical  
14 Technologies in San Clemente?

15 A. Yes.

16 Q. And would you tell us what work he did during that  
17 time?

18 A. He was their in-house counsel.

19 Q. And you worked with him and for him at that time?

20 A. Yes.

21 Q. And then he left that job after a little more than a  
22 year and started his own solo practice?

23 A. Yes.

24 Q. And you described to us the locations where you had  
25 the offices?

1 A. Yes.

2 Q. At one point?

3 A. A couple of them, yes.

4 Q. Yes. At one point I think you had an office in a  
5 condominium?

6 A. Yes.

7 Q. And at another point you said that you rented an  
8 office near a boat yard?

9 A. Yes.

10 Q. In Dana Point?

11 A. Yes.

12 Q. And let me ask, if I might, um, at one point did  
13 Jehu tell you that he was burned out and wanted to  
14 retire?

15 A. Yes, I heard that many times.

16 Q. I'm sorry?

17 A. I heard that many times.

18 Q. And when he told you that, can you tell us about  
19 what time period it was, what year, 2008, '9, '10, '12,  
20 can you give an estimate?

21 A. I don't know because he did say for years that he  
22 wanted to retire. But I couldn't guess when that was.

23 Q. Now at some point you told us he did stop working  
24 full-time and moved out of the country?

25 A. Right.

1 Q. And that was, I believe you said, in the middle of  
2 20 --

3 A. July 2012.

4 MR. HERBERT: Your Honor, I object and move to  
5 strike based on the "stop working" part. It's a  
6 mischaracterization.

7 THE COURT: Well the witness has answered. I  
8 think it's about time we get to this case.

9 Go ahead.

10 Q. Well, my question is, did you testify before the  
11 grand jury that Jehu retired in June of 2012 or  
12 thereabouts?

13 A. Yes.

14 Q. Was that true?

15 A. Well he closed his offices here and moved away.

16 Q. All right. And in fairness he continued to do some  
17 work?

18 A. Correct.

19 Q. And you continued to work part-time thereafter, is  
20 that fair to say?

21 A. Correct, yes.

22 Q. How many hours on average a month did you work in  
23 the year 2012 after Jehu left the United States in June  
24 of 2012?

25 A. A month, um, maybe two hours a day. So about -- 2

1 times 5 -- 40 hours.

2 Q. 40 hours a month, about 10 hours a week?

3 A. Yeah.

4 Q. You communicated by way of phone from time to time,  
5 I take it?

6 A. Yeah, e-mail or phone.

7 Q. Now you understood Jehu was living in Antigua at  
8 that time?

9 A. Yes.

10 Q. And at some point, I believe, did you understand  
11 that he stayed with his daughter Maria at a small island  
12 --

13 A. Yes.

14 Q. Called "Rowayton"?

15 A. Okay.

16 Q. Off the coast of Honduras?

17 A. Okay. I don't know.

18 THE COURT: Well the testimony is she doesn't  
19 know.

20 MR. IREDALE: Okay.

21 THE COURT: That's the testimony.

22 MR. IREDALE: Fair enough.

23 Q. Let me ask if at some point you became aware that he  
24 was attending law school?

25 A. Um, yes, I remember that.

1 Q. And I believe that you wired the payment to the law  
2 school in Nassau, Bahamas?

3 A. Okay.

4 Q. Do you remember that?

5 A. I could have done that, yes. I would have been the  
6 one to do that.

7 Q. Let me jump out of sequence for a moment and just go  
8 back to that conversation you told us about in December  
9 of 2016, some FBI agents had come to your house as I  
10 understand?

11 A. Yes, in 2015.

12 Q. In 2015?

13 A. Yes.

14 Q. In 2015, forgive me, in 2015. FBI agents had come  
15 to your house. And you live in San Clemente,  
16 California?

17 A. Yes.

18 Q. Could you tell us what time of day you recall seeing  
19 the FBI agents?

20 A. It was early morning, like 7:00 in the morning.

21 Q. They introduced themselves as FBI agents?

22 A. Yes.

23 Q. Would you describe the encounter as you recall?

24 A. Um, I was getting in my car and he -- one of them  
25 approached me and said that his partner was behind him



1 by a couple of minutes and could I wait? And within  
2 moments she pulled up. And we went inside to talk.

3 Q. You were given a subpoena?

4 A. Yes.

5 Q. Did you notice anything about the date on the  
6 subpoena, that the date on the subpoena had already  
7 passed?

8 A. Yes.

9 Q. So did you ask them how you were supposed to appear  
10 at a date sometime before the date that they actually  
11 gave you the subpoena?

12 A. Right, I don't know at what point I noticed the date  
13 had already passed, but when I did notice, I either  
14 asked them or I asked my attorney. I don't recall.

15 Q. All right. Now, what you said to your attorney, I  
16 don't want to inquire about and I'm not asking, but do  
17 you recall that one of them said at some point, "Well  
18 this subpoena is still good, you have to contact  
19 somebody"?

20 A. I do, yeah, so I must have discussed it with the  
21 agents that day.

22 Q. And you said thereafter you called Jehu?

23 A. Yeah.

24 Q. Would you tell us, as best as you recall, what you  
25 said and what he said?

1 A. Well that the FBI agents were just at my house and  
2 "Why?" "What am I supposed to do?" And he advised me,  
3 um, very calmly, as he always is, to get an attorney  
4 and, um, you know to follow the subpoena.

5 Q. He said to "follow the subpoena"?

6 A. He didn't say those words, but he said "Comply." He  
7 did say "Comply."

8 Q. So he told you to comply with the subpoena?

9 A. Yeah.

10 Q. And did he say anything else other than that you  
11 should get an attorney and comply with the subpoena?

12 A. Not that I recall.

13 Q. Did he at any point ask you to hide any files or  
14 documents?

15 A. No. Never.

16 Q. Did he ever ask you to destroy records?

17 A. No. Never.

18 Q. Did he ever, after that point, give you any legal  
19 advice other than to speak with an attorney?

20 A. No.

21 Q. Did he ever tell you what to say to the federal  
22 grand jury?

23 A. No.

24 Q. Or to say if you were interviewed by government  
25 agents or federal prosecutors?

1 A. No.

2 Q. Did he, to your mind, in any way attempt to  
3 influence you to say anything other than the absolute  
4 truth as best as you remember?

5 A. No.

6 Q. Have you told us the truth today in court?

7 A. Yes.

8 Q. And you testified under a grant of immunity before  
9 the federal grand jury?

10 A. Yes.

11 Q. And in that regard did you tell the truth to every  
12 question when you were testifying before the federal  
13 grand jury?

14 A. Yes.

15 Q. All right. Did you, to your mind, feel that you did  
16 anything criminal, illegal, or wrong, during the time  
17 you worked for Jehu?

18 A. Yes, I shouldn't have signed those names.

19 MR. IREDALE: Let's go if we could to --

20 Q. You were asked to see an exhibit that's 144, it was  
21 put by a letter, but I'm going to ask you to look at it  
22 and tell us if Exhibit 144 represents an e-mail that  
23 your attorney sent to you?

24 A. (Looks.) Yes.

25 Q. And let's read that e-mail that counsel asked you to

1 review.

2 Your attorney's name is David Wiechert?

3 A. Yes.

4 Q. He's a lawyer in San Clemente, is he not?

5 A. Yes.

6 Q. This is dated the 2nd the March. "Kim, I just  
7 received a call from the lead prosecutor in Boston on  
8 Jehu's case. They are going back to the grand jury to  
9 seek an indictment regarding Jehu's dealings in Crown  
10 Marketing. They view you as someone who knew or should  
11 have known that there was wrongdoing afoot, but are not  
12 committed to indicting you. They would like you to come  
13 to Boston pursuant to a proffer agreement that would  
14 limit the government's use of their statements. I  
15 suggested a video-conference call to keep costs down,  
16 but they want to do the interview in person." Let me  
17 stop there and just ask you a question.

18 This "proffer agreement," did you understand what  
19 that meant when you read it?

20 A. I was told it meant, you know, like immunity, so,  
21 um, just speak.

22 Q. "I suggested a video conference to keep costs down,  
23 but they want to do the interview in person. Proffer  
24 sessions are not recorded." We'll stop there.

25 Did you speak with prosecutors here in Boston?

1 A. Yes.

2 Q. Was there in fact any tape recording or any  
3 preservation of what was said by them or said by you  
4 during that interview to your knowledge?

5 A. Not that I know of.

6 Q. "So there will be an FBI agent or two taking notes.  
7 Normally I would have an associate with me taking notes  
8 so if there's a difference of opinion as to what you  
9 said at a later date, there would be a way to fact-check  
10 the agent's recitation. To fly two lawyers to Boston  
11 would not be cheap. Just for me, between airfare, half  
12 time for travel hours and a full-day meeting, the cost  
13 would be around \$10,000." Can we stop there.

14 That's a lot of money?

15 A. Yes, it is.

16 Q. For you or for anybody?

17 A. Yes.

18 Q. "If you can get reimbursed, then my recommendation  
19 would be to have me and Jess go. If money is an issue,  
20 then it would be you and me. Under either scenario,  
21 given what the prosecutor said on the phone, my gut is  
22 that if you don't go, it is more likely than not you  
23 will be a defendant in the superseding indictment.

24 Please call with any questions. Thanks, Dave." And we  
25 can stop there.

1           Your attorney, to your knowledge, turned this over  
2     to the government?

3     A.   Yes.

4     Q.   And you agreed to let him turn that over?

5     A.   He didn't ask me.

6     Q.   He just did it?

7     A.   I guess so.

8     Q.   And so after you read this, you understood that you  
9     might end up being in a seat that is not a very pleasant  
10    seat to sit in, a defendant's seat in a federal criminal  
11    case?

12    A.   Yes.

13    Q.   You did not want that to happen?

14    A.   Of course not.

15    Q.   And so you and your attorney came to Boston and  
16    spoke with prosecutors on the 16th of March or  
17    thereabouts?

18    A.   Yes.

19    Q.   Then you returned in April, April of the year 2016,  
20    and had another session from which you spoke to the  
21    government?

22    A.   Yeah, I think so.

23    Q.   Now, the prosecutor, at that time who was the  
24    regular Assistant U.S. Attorney, was not the  
25    good-looking gentleman who asked you questions, but

1 another man named Vassili Thomadakis, correct?

2 A. Yeah.

3 Q. And could you tell us the general demeanor  
4 Mr. Thomadakis adopted toward you in the interview in  
5 April?

6 A. He was business friendly.

7 Q. He called you before the grand jury as a witness?

8 A. He did.

9 Q. And you testified?

10 A. I did.

11 Q. And you've come back here as a result of your  
12 agreement to testify when required?

13 A. Yes.

14 Q. (Pause.) Let me talk to you about the way in which  
15 you communicated with Jehu after he left in June of  
16 2012.

17 A. Okay.

18 Q. He was --

19 (Interruption.)

20 THE COURT: No, go ahead.

21 Q. He was able to e-mail you and speak with you by  
22 phone?

23 A. Sure.

24 Q. Could you tell me the frequency of the phone contact  
25 in the year 2012 after he left in June?

1 A. I couldn't guess, no.

2 Q. All right.

3 THE COURT: Yes, you can't guess. And we're  
4 taking a 5-minute break, out and back. Keep your minds  
5 suspended, do not discuss the case among yourselves nor  
6 with anyone else. We'll stand in recess for 5 minutes.

7 THE CLERK: All rise for the jury.

8 (Jury leaves, 12:30 p.m.)

9 THE COURT: And I'll see counsel at the  
10 sidebar.

11

12 AT THE SIDEBAR

13 THE COURT: How much longer do you have?

14 MR. IREDALE: I estimated that the cross would  
15 be about the length of the direct, so probably at this  
16 point an hour and 45 minutes.

17 THE COURT: And you're finishing Friday?

18 MR. PALID: Not with that estimate. Um --

19 THE COURT: Well Melley's not going to be  
20 long?

21 MR. PALID: No, he's not.

22 THE COURT: And so who is there?

23 MR. PALID: All right, so Melley, half an  
24 hour, 45 minutes. Um, maybe I can do him in a half an  
25 hour. And Dropbox, um, probably half an hour. And then



1 we've got, um, two victims. Um, if we have to cut one,  
2 we will cut one.

3 THE COURT: Well cut one -- well I can't say,  
4 but we're starting at 10:00 on Friday, so you'd be  
5 advised to do that.

6 MR. PALID: Yeah.

7 THE COURT: So we'll recess.

8 MR. IREDALE: And, your Honor, may I just ask  
9 on the, um -- assuming that we finish, we would have the  
10 instruction conference then on Friday?

11 THE COURT: Oh, yes.

12 MR. IREDALE: Very good.

13 THE COURT: So you get ready to argue on  
14 Monday.

15 MR. IREDALE: All right. And I have to leave  
16 this afternoon to fly across --

17 THE COURT: Well we're doing it on Friday.

18 MR. IREDALE: Thank you.

19 MR. PALID: Thank you your Honor.

20 THE COURT: All right, we'll recess briefly.

21

22 (In open court.)

23 (Recess, 12:35 p.m.)

24 (Resumed, 12:40 p.m.)

25 THE COURT: Go ahead, Mr. Iredale.

1 MR. IREDALE: Thank you, your Honor.

2 Q. Ms. Peterson, let me just talk generally about what  
3 you testified concerning the work that you did.

4 First, you said that you were largely involved in  
5 typing?

6 A. Yes.

7 Q. Typing documents such as S-1s, which are  
8 registration statements that are filed with the SEC?

9 A. Yes.

10 Q. And then quarterly reports or annual reports for  
11 corporations?

12 A. Yes.

13 Q. And Jehu's work involved incorporating companies and  
14 creating what you were calling "shells," correct?

15 A. Correct.

16 Q. And from time to time people would come, to your  
17 knowledge, to him and try to get the company and use it  
18 to develop a business?

19 A. Yes.

20 Q. That was what his work largely involved?

21 A. Yes.

22 Q. Incorporating a company, cleaning it up or clearing  
23 it up, if necessary, and then letting another person use  
24 that company for whatever purpose they desire, if they  
25 purchase the company?

1 A. Yes.

2 Q. Is that fair to say?

3 A. Yes.

4 Q. So when you were telling us "shells," it sounded  
5 like you were saying a bad word, "shell," "shell,"  
6 "shell," did you mean anything --

7 MR. HERBERT: Objection, your Honor.

8 THE COURT: Yeah, the editorial comment is  
9 stricken.

10 MR. IREDALE: Forgive me.

11 THE COURT: Now put the question.

12 Q. Did you mean anything other than he incorporated a  
13 company which was available for somebody to purchase or  
14 use to do a business?

15 A. Correct, yeah, we would incorporate the company and  
16 I don't know where it went from there. But it would  
17 start as a nothing.

18 Q. Fair enough. My question, I guess, really is, um,  
19 when you said the word "shell," did you mean to imply or  
20 suggest that there was something illegal or wrong with  
21 incorporating companies and holding them as shells for  
22 people to purchase?

23 A. No. No.

24 Q. Did you think that there was anything wrong with  
25 that?

1 A. No.

2 Q. All right. Now, you told us that in the work that  
3 Jehu did, he would oftentimes use documents that he had  
4 filed before as templates for later filings, is that  
5 true?

6 A. Yes.

7 Q. So he would cross things out or change the things in  
8 the basic form of the document and you would put in the  
9 changes?

10 A. Correct.

11 Q. Now, you talked about doing what is called  
12 "incorporation," um, "incorporating"?

13 A. Yes.

14 Q. And would you explain to us what that process  
15 involves briefly, please?

16 A. Um, submitting -- usually it's just a one piece of  
17 paper, articles of incorporation, with a company name,  
18 an address, a resident agent, and a signature, and then  
19 you'd just ship it off to the agent of that state.

20 Q. And you said that oftentimes you would use the state  
21 of Wyoming in which to incorporate companies?

22 A. Yes.

23 Q. And was that for some reason having to do with  
24 favorable laws in Wyoming for incorporation?

25 A. I don't know.

1 Q. If you know.

2 A. I don't know.

3 Q. Did you yourself also serve as the incorporator of  
4 certain companies?

5 A. Probably.

6 Q. And now you said you were listed as the "President"  
7 on some corporations?

8 A. Yes, I think so.

9 Q. And did you do that in effect to serve as a  
10 placeholder under the company was sold and the person  
11 who purchased the company would then put in the office  
12 holder?

13 A. Yes, right. Yes.

14 Q. And to your knowledge is that a common practice with  
15 respect to newly-formed corporations?

16 A. I don't know if it's a common practice, but it's  
17 what we always did.

18 Q. Now I need to talk to you about the date of April  
19 the 3rd of the year 2012.

20 A. Okay.

21 Q. You remember April 3rd was the date on one of the  
22 e-mails that government counsel was asking you about,  
23 April 3rd of 2016?

24 A. 2016? Not --

25 Q. I'm sorry, April 3rd of 2012?

1 A. Um, I don't know.

2 Q. Well do you remember Jehu being out of the office on  
3 April 3rd of 2012?

4 A. I don't know.

5 Q. Do you remember an incident in which Natalia was  
6 arrested for punching him in the head?

7 A. I remember an incident that she was arrested. I  
8 don't know the circumstances.

9 Q. Do you remember that the date of her court  
10 appearance was the 3rd of April, 2012?

11 A. No. No.

12 Q. Jehu's daughter is named Maria?

13 A. One of them, yes.

14 Q. Maria was the young girl that you --

15 A. The baby, yes.

16 Q. -- went to pick up in Antigua?

17 A. Yes.

18 Q. Jehu, you found out, was arrested coming into Miami  
19 in 2015?

20 A. Yes.

21 Q. And he called you and asked if you would please go  
22 to Antigua and bring back his daughter, Maria?

23 A. Yes.

24 Q. And you did that for him?

25 A. Yes.

1 Q. (Pause.) You were asked a series of questions about  
2 various people and what you knew about them.

3 A. Yes.

4 Q. Including Yuri Semenov, Alexander Sosnovsky, you  
5 remember that?

6 A. Yes.

7 Q. Karen Campo Nuriega?

8 A. Yes.

9 Q. Doris Urueta Turo?

10 A. Yes.

11 Q. Igor Produn?

12 A. Yes.

13 Q. And Mr. Semenov?

14 A. Yes.

15 Q. All right. Now some of those people you met in  
16 person and some of them you did not, is that fair to  
17 say?

18 A. Yes.

19 Q. Let me, if I could, ask you to look at Exhibit WE.

20 MR. IREDALE: And this is for the witness.

21 (On witness screen.)

22 Q. Do you recognize the person --

23 A. That's Yuri in the middle.

24 Q. Yuri Semenov?

25 A. Yes.

1 MR. IREDALE: Let's go to WF.

2 (On screen.)

3 Q. Do you recognize one of the two people there?

4 A. Yuri, on the right.

5 MR. IREDALE: WG.

6 (On screen.)

7 A. Yuri.

8 MR. IREDALE: WH.

9 (On screen.)

10 A. It's Yuri on the left.

11 MR. IREDALE: WJ.

12 (On screen.)

13 A. Yeah, Yuri in the middle.

14 Q. All right. Now, in this photograph do you see the  
15 person on the far right?

16 A. Yes.

17 Q. Do you recognize that as a person that you met once  
18 before?

19 A. No.

20 Q. Let me show you WK and ask the same question.

21 MR. IREDALE: This is a single photo.

22 (On screen.)

23 Q. Do you recognize that person?

24 A. No.

25 Q. All right.



1 MR. IREDALE: Your Honor, I would move into  
2 evidence the first four photographs which the witness  
3 testified about.

4 MR. HERBERT: I object, your Honor.

5 THE COURT: May I see them?

6 MR. IREDALE: Yes, your Honor.

7 (Hands up.)

8 THE COURT: No, they're excluded.

9 Q. You met Yuri Semenov when you went to the Ukraine in  
10 2005 or 2006?

11 A. Whenever the wedding was, yes.

12 Q. And he picked you up at the airport?

13 A. He did.

14 Q. Now did he have a tax driver's uniform on or did he  
15 just pick you up?

16 A. No, he just picked us up.

17 Q. You understand him to be a businessman, not a taxi  
18 driver?

19 A. Yes.

20 Q. And you know that he works for Norweigian Airlines  
21 and has 150 people working under him?

22 A. No.

23 Q. When you met him, in any event, at one occasion he  
24 went to a bank to open the account about which you  
25 testified?

1 A. Yes.

2 Q. With you?

3 A. Yes, he came here. Yes.

4 Q. And he's a signatory on that account?

5 A. Yes.

6 Q. You recognize his signature because you've seen him  
7 sign documents and you've seen his signature many times  
8 thereafter?

9 A. Yes.

10 Q. Now, is it fair to say that you do not know Jehu's  
11 arrangements or business dealings with Yuri Semenov?

12 A. Yes.

13 Q. Jehu doesn't talk to a lot of people and if he talks  
14 to a lot of people it's about what's at issue, correct?

15 A. Yes.

16 Q. So you don't know exactly what business projects  
17 he's involved with with Yuri, is that true?

18 A. True.

19 Q. Alex Sosnovsky, you don't remember meeting him in  
20 any event?

21 A. No.

22 Q. And Jehu did not share with you any of the business  
23 dealings that he had with Mr. Sosnovsky?

24 A. No.

25 Q. Igor Produn. When Jehu was married in the Ukraine

1 in 2005 or 2006, do you remember there were a lot of  
2 people there?

3 A. Yeah.

4 Q. You don't remember meeting a man named "Igor" at any  
5 time?

6 A. No. I could have, but, no, I don't.

7 Q. Well there may have been more than one Igor there as  
8 well?

9 A. True.

10 Q. But you don't know what dealings or business he has  
11 with Mr. Produn?

12 A. No.

13 Q. Or what projects they're involved in?

14 A. No.

15 Q. You talked about Doris Urueta Turo?

16 A. Yes.

17 Q. Is it fair to say to say that Jehu sent her money  
18 from time to time?

19 A. Yes.

20 Q. And you understand that he has a child by her?

21 A. Um, I -- it's possible.

22 Q. And did he send regular support payments, if you  
23 know?

24 A. He sent money to her regularly.

25 Q. Fair enough. But you didn't know whether it was for

1 support or for anything else?

2 A. No.

3 Q. As to whether he had conversations with her about  
4 business investments for her or with her, you don't  
5 know?

6 A. No, I don't.

7 Q. All right. Karen Campo Capo Noriega, the same would  
8 be true?

9 A. The same.

10 Q. Is that fair?

11 A. Yes, the same.

12 Q. William Wilkinson. You have received e-mail from  
13 Mr. Wilkinson in the past?

14 A. I think I have.

15 Q. (Pause.) Well let me, if I could, ask you if from  
16 time to time you would do transactions involving  
17 Jeremiah Hand?

18 A. What do you mean by "transactions"?

19 Q. Well, in other words, do you recall on one  
20 occasion -- well let me see if I can help.

21 MR. IREDALE: May I have just one moment,  
22 please, your Honor?

23 THE COURT: You may.

24 (Pause.)

25 MR. IREDALE: Let me show you Exhibit 478,

1 please. (On screen.) Can we just enlarge that at the  
2 top. (Enlarged.)

3 Q. This is from Learned Hand to  
4 "kimberlysckimmie@cox.net," that was your e-mail  
5 address?

6 A. Yes.

7 Q. Copy to jehu@jehu.com. "Subject: Wire help!"  
8 Exclamation. "Kim, help, I'm buying the marijuana  
9 business, to do the deal I must wire 30,000 from Able  
10 Direct Marketing. You should be receiving the money  
11 today from my Harrington Bank in North Carolina." And  
12 then there's some banking information and routing  
13 information.

14 Do you see that?

15 A. Yup.

16 Q. And then there's something that says "Account name  
17 Charles T. Houghton, Attorney Trust Account." Do you  
18 see that?

19 A. Okay. Yes.

20 Q. Do you remember that at some point Learned Hand  
21 called and spoke with you on that date?

22 A. I don't remember him calling, but he probably did.

23 Q. He says "Also, if the wire fees cut this amount down  
24 by a bit, it is okay, it can be a little shy, and I  
25 don't want this to cost Able the fees to send the wire."

1 Then he says, "I am on my cell phone," and he leaves a  
2 number, 919-428-3600."

3 Do you see that?

4 A. Yes.

5 Q. And did you in fact help him with the transaction  
6 that he asked for your help with?

7 A. If the money came into Able direct? Yes, I would  
8 have turned it around and wired it out.

9 MR. IREDALE: Let's go to Exhibit 479, please.

10 (On screen.)

11 Q. All right. This is a wire transfer bank record, do  
12 you see?

13 A. Yup, so 30,000 came in and then I wired it right  
14 out.

15 Q. All right. So this shows an incoming amount of  
16 \$30,000 from the Harrington Bank FSB in Chapel Hill?

17 A. Yes.

18 Q. And you then wired it out to "Charles T. Houghton  
19 Attorney Trust," is that right?

20 A. Yes. Yes.

21 Q. So the money came into the account and then was  
22 wired right out, is that fair to say?

23 A. Yes.

24 MR. IREDALE: Let's go to another exhibit,  
25 481-R.

1 (On screen.)

2 Q. This is a phone record.

3 MR. IREDALE: 481. A phone record. (On  
4 screen.) Could we -- could we blow up the highlighted  
5 entry. (Enlarged.)

6 Q. All right. So this shows that there was a call on  
7 the 18th of April at 12:29 and it was to Chapel Hill,  
8 North Carolina.

9 MR. IREDALE: Could we see whose account it is  
10 at the very top?

11 (Enlarged.)

12 A. That's my account.

13 Q. That's your account?

14 A. Uh-huh.

15 Q. All right. Now it says "Kimberly Hand." Was this  
16 an attempt to disguise your identity?

17 A. No, Jehu Hand owned a number before I moved it to my  
18 personal account and they just transferred it. I don't  
19 know why the name says that. An administrative error.

20 Q. So the phone company just kept the last name?

21 A. I assume so. I don't know.

22 Q. Do you remember speaking with a Jeremiah Hand about  
23 a wire transfer that he wanted you to do that day?

24 A. I don't recall the conversation, no.

25 MR. IREDALE: Let's go to Exhibit 482-RN. I'm

1       sorry, 482.   (On screen.)   Could we go to Bates Number  
2       351.   (On screen.)

3       Q.   This is for Able Direct Marketing, 24 Calle de la  
4       Luna, San Clemente, California?

5       A.   Okay.

6       Q.   It says "wire transfer activity"?

7       A.   Yes.

8       Q.   And it shows at the bottom an incoming wire transfer  
9       credit to the Able Direct Marketing account?

10      A.   Yes.

11      Q.   For \$7,550?

12      A.   Right.

13      Q.   And it comes from Harrington Bank in Chapel Hill?

14      A.   Yes.

15      Q.   And then it was immediately wired out to J & M  
16      Group, Timonium, Maryland, do you see that?

17      A.   Yes.

18      Q.   Except it was \$50 less because there was a wire  
19      transfer cost, isn't that true?

20      A.   Yes.

21      Q.   Did Jeremiah Hand ask you to wire that money out for  
22      him that day?   If you recall.

23      A.   I don't recall.   But most likely.

24      Q.   But that did not stay in the Able Direct Marketing  
25      account, it went out to the J & M Group in Timonium,



1 Maryland?

2 A. Yes.

3 Q. If that's what the record reflects?

4 A. Yeah.

5 Q. You were the person involved in many of the wires, I  
6 take it?

7 A. All of them.

8 Q. All of them?

9 A. Yeah.

10 Q. All right.

11 MR. IREDALE: Let's go, if we could, to the  
12 next page. (On screen.) Could we see an incoming wire  
13 transfer credit, please.

14 (On screen.)

15 Q. This shows \$50,000 coming into the account from  
16 Harrington Bank, Chapel Hill?

17 A. Yup.

18 Q. It says "Originator, Fortune Industries, Cheyenne,  
19 Wyoming," do you see that at the bottom?

20 A. Yup.

21 Q. And then that same amount, that very same amount  
22 went out to Emerging Media Group, LLC?

23 A. Right.

24 Q. Did Jeremiah Hand tell you to send that amount of  
25 money out of the account to Emerging Media Market, LLC?

1 A. Most likely.

2 Q. And you did him that favor, is that fair to say?

3 A. Yes.

4 Q. (Pause.) Now, may I ask, did Jehu Hand ever tell  
5 you, "I want you to forge somebody's name"?

6 A. In those words? No.

7 Q. He told you, um -- he told you, did he not, that he  
8 wanted you to get the signatures of the people involved?

9 A. Yes.

10 Q. And on your own you chose to write the name of the  
11 person?

12 A. No.

13 Q. Either Karen Campo or Doris Urueta?

14 A. No. The first time or two, um, he told me it needed  
15 to be signed by whomever, Karen or Doris, and to just  
16 write it. After that it just followed suit, he didn't  
17 ask, I just did it. It was implied that Karen needs to  
18 sign it.

19 Q. That Karen needs to sign it?

20 A. That this needs to be signed by Karen.

21 Q. All right.

22 THE COURT: This is a good time to stop?

23 MR. IREDALE: It is a perfect time. Thank  
24 you, your Honor.

25 THE COURT: Now, ladies and gentlemen, we're

1 not sitting tomorrow. We planned this going in. One of  
2 the attorneys has to argue before a higher court  
3 tomorrow and I respect that, so we're planning not to  
4 sit. They tell me we'll finish with the evidence on  
5 Friday and we're planning on giving you the case on  
6 Monday. And so Monday, you have to plan to be available  
7 to stay with us all day, business hours, we'll give you  
8 lunch, cafeteria food, but that's the plan.

9 On Friday -- again this is my responsibility given  
10 my obligations, we don't start till 10:00 in the  
11 morning. You're so good on time, so I'll tell you, at  
12 10:00 in the morning we'll start. And that's Friday.

13 Keep your minds suspended. You have not heard all  
14 the evidence. Do not discuss the case either among  
15 yourselves nor with anyone else. You may stand in  
16 recess now until 10:00 on Friday the 18th.

17 THE CLERK: All rise for the jury.

18 (Jury leaves, 1:00 p.m.)

19 MR. PALID: Your Honor, we have a stipulation  
20 that if possible we'd like you to read at the start of  
21 evidence on Friday?

22 THE COURT: If I remember it, I will do that.

23 MR. PALID: Okay, thank you.

24 THE COURT: But I will certainly read it.

25 Thank you. Good luck, Mr. Iredale. And we'll start at

1 10:00 on Friday morning. We'll recess.

2 MR. IREDALE: Thank you so much, your Honor.

3 (Adjourned, 1:00 p.m.)

4  
5 C E R T I F I C A T E

6  
7 I, RICHARD H. ROMANOW, OFFICIAL COURT REPORTER, do  
8 hereby certify that the forgoing transcript of the  
9 record is a true and accurate transcription of my  
10 stenographic notes, before Judge William G. Young, on  
11 Wednesday, May 16, 2018, to the best of my skill and  
12 ability.

13  
14  
15 /s/ Richard H. Romanow 08-05-19

16 \_\_\_\_\_  
17 RICHARD H. ROMANOW Date  
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